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MITI REACTS TO REAGAN'S STATE OF UNION MESSAGE

OW280938 Tokyo KYODO in English 0928 GMT 28 Jan 87

[Text] Tokyo, Jan. 28 KYODO -- The Ministry of International Trade and Industry said Wednesday it hopes a new U.S. trade bill, to be submitted to the Congress by President Ronald Reagan, would not carry a strong protectionist nature.

Reagan told a joint session of the U.S. Congress Tuesday his administration will submit an amendment bill aimed at overcoming "unfair" foreign trade practices.

A MITI official, who declined to be named, said Japan intends to help implement the U.S. policy of strengthening the U.S. industry's international competitiveness by expediting technology transfer from Japan.

Reagan, at his annual State of the Union address, pointed out that there is a need to strengthen the U.S. industry's international competitive edge to help reduce a ballooning U.S. trade deficit.

Meanwhile, the Finance Ministry welcomed Reagan's mention of the January 21 Tokyo-Washington Agreement to promote currency stability as it believed the accord will help stabilize yen-dollar exchange rates.

A Finance Ministry official said, "There is a big significance in the fact that President Reagan himself referred publicly to the January 21 agreement between Japanese Finance Minister Kiichi Miyazawa and U.S. Treasury Secretary James Baker".

BUSINESS LEADERS DISMAYED AT MIYAZAWA-BAKER TALKS

OW221149 Tokyo KYODO in English 1133 GMT 22 Jan 87

[Text] Tokyo, Jan. 22 KYODO -- Japanese business leaders expressed deep disappointment Thursday at the failure of Japan and the United States to agree on specific steps to bring stability to money markets.

"It's extremely disappointing that the two countries failed to agree on coordinated intervention or the holding of a Group of Five (G-5) meeting of finance ministers and central bank governors," said Takashi Ishihara, head of the Japan Committee for Economic Development, a business leaders' group.

Finance Minister Kiichi Miyazawa and U.S. Treasury Secretary James Baker ended their talks in Washington with a vague agreement to check "developments in exchange markets." But the meeting did not help check the dollar's slide on the Tokyo exchange market as the U.S. currency closed at 152.40 yen Thursday, down from 153.60 at Wednesday's finish.

Noboru Goto, head of the Japan Chamber of Commerce and Industry, said the yen's appreciation may be stemmed only if Japan, the U.S. and West Germany agree on coordinated market intervention.

Bunpei Otsuki, chairman of the Japan Federation of Employers' associations, called for the major industrialized countries to implement specific steps to bring the wild foreign exchange fluctuations under control.

Eishiro Saito, chairman of the Federation of Economic Organizations (Kleidanren), expressed the hope that the Miyazawa trip will lead to effective results.

Minoru Eda, general manager of Sanwa Bank's Tokyo International Treasury Department, predicted that the dollar-yen rate will gradually stabilize at a level of 150 to 155 yen. "The U.S. will benefit most from coordinated rate reductions by Japan, the U.S. and West Germany," Eda said.

Takashi Kato, director-general of the Yamaichi Research Institute of Securities and Economics, pointed out that the Washington meeting reconfirmed perception gaps of both countries about each other's fundamental economic strength. Kato said that the Tokyo money market failed to reflect the full implications of the Miyazawa-Baker meeting. He predicted that the yen will remain bearish at least until March in view of poor U.S. economic prospects between January and March.

But Makoto Utsumi, who heads the Finance Ministry's International Finance Bureau, said the Washington meeting was significant in that the two countries concurred in their assessment that the money markets are in a state of instability. Utsumi revealed that the joint statement issued by Miyazawa and Baker was product of their work and not of bureaucrats. Asked about the statement's effect on money markets, he said: "The effect will appear gradually."

Yutaka Hirata, president of Unitika Ltd., a major textile firm, criticized Prime Minister Yasuhiro Nakasone's government for failing to arrest the yen's surge in value. "It's no longer an economic issue but a political problem," he said, adding the government should drop its plan to introduce a sales tax to prevent the yen's further appreciation and spur the domestic economy.

Toyota Motor Corp. president Shoichiro Toyoda also wondered if Miyazawa's U.S. visit had any favorable impact in view of the yen's renewed strength after the meeting.

Yoshinari Yamashiro, President of Nippon Kokan, a major steelmaker hard hit by the strong yen, suggested a revamping of the existing monetary system.

Yutaka Takeda, president of Nippon Steel Corp, the world's biggest steelmaker also hurt by the yen's rise, said his company is just above water. Nippon steel's drastic retrenchment program is based on an exchange rate of 160 yen to the dollar, he said.

Miyazawa on Currency Stability

OW260615 Tokyo KYODO in English 0602 GMT 26 Jan 87

[Text] Tokyo, Jan. 26 KYODO -- Finance Minister Kiichi Miyazawa pledged Monday to redouble efforts to stabilize exchange rates in cooperation with other major industrial democracies in order to achieve sustained economic growth led by domestic demand.

Addressing a reconvened regular Diet session, Miyazawa said Japan must correct its huge trade imbalance with the rest of the world, while at home the yen's recent rapid appreciation is causing stagnation of economic activity, particularly in the manufacturing sector, leading to serious concern over employment.

He said the greatest task in monetary and fiscal policies is to "secure sustained growth of the economy centered on domestic demand" which would help boost imports and reduce speculative pressure on the yen as well as improve employment. But this requires stability in exchange rates, he said, referring to his hurriedly arranged meeting with U.S. Treasury Secretary James Baker in Washington last Wednesday.

Miyazawa told lawmakers he and Baker agreed at the meeting to cooperate in stabilizing exchange markets. "I intend to seek exchange rate stability through policy coordination with other countries and market intervention at an appropriate time in an appropriate manner," he added.

In another effort to help achieve sustained growth, Japan will step up public works spending under an austere fiscal 1987 budget, Miyazawa continued. In this connection, he cited a planned 5.2 percent increase in the amount of total public works projects -- including those financed by postal savings and other government-controlled funds -- for the new fiscal year, beginning April 1.

The government will also take "appropriate and flexible" measures to shore up economic activity, he said. As an example, he mentioned a 0.5-point cut in the official discount rate to a record low of 3.0 percent in November, the last of four such reductions last year.

The Bank of Japan is considering another discount rate cut to prevent the yen's further steep appreciation as well as boost the slowing economy, according to bank sources.

Miyazawa urged the legislature to approve a sweeping tax reform plan featuring major tax cuts and the introduction of a 5 percent sales tax. He also renewed his pledge to push reconstruction of the deficit-ridden state finances. But the goal of terminating deficit-covering bond offerings in fiscal 1990 is widely believed to be impossible to achieve.

U.S. ENVOY URGES LDP TO CORRECT TRADE SURPLUS

OW271301 Tokyo KYODO in English 1247 GMT 27 Jan 87

[Text] Tokyo, Jan. 27 KYODO -- U.S. ambassador to Japan Mike Mansfield Tuesday urged two senior Liberal-Democratic Party officers to correct Japan's huge trade surpluses, LDP officials said.

Mansfield, in an hour-long meeting with LDP Secretary General Noboru Takeshita and LDP Policy Board Chairman Masayoshi Ito, described as "intolerable" Japan's trade surplus with the United States, which Japanese customs clearance figures put at 51.48 billion dollars in 1986. Takeshita and Ito were invited to the American Embassy, the officials said.

The one-time Senate majority leader expressed worries about the dollar's plunge against the yen, noting that Federal Reserve Board Chairman Paul Volcker favors around 160 yen to the dollar, the officials said.

Mansfield told Takeshita and Ito that Treasury Secretary James Baker is also concerned about the excessive decline of the dollar's value. The dollar closed at 151.95 yen in Tokyo Tuesday, down 0.80 yen from Monday's finish.

Takeshita told Mansfield he wants the dollar to go up to around yen 170. Ito favored 170-180 yen to the dollar, the officials said.

Mansfield welcomed the Japanese cabinet decision last week to adopt a five-year fixed amount ceiling on defense spending to replace the decade-long barrier of 1 percent of gross national product, they said. The American envoy told the two LDP officers that the previous 1-percent-of-GNP limit was unreasonable.

On Saturday, the cabinet of Prime Minister Yasuhiro Nakasone announced that it will keep Japan's defense budget below 18.4 trillion yen during fiscal years 1986-1990. The figure is that estimated in the country's defense buildup program for the five years.

NIKAIKO TO LOBBY TRADE SUPPORT IN WASHINGTON

OW280549 Tokyo KYODO in English 0531 GMT 28 Jan 87

[Text] Tokyo, Jan. 29 KYODO -- Susumu Nikaido, a prominent politician who heads a Japan-U.S. trade expansion committee made up of lawmakers of the two countries, will leave for Washington Sunday to lobby support for Japan in the ongoing controversy over the bilateral trade imbalance in Japan's favor.

According to the ruling Liberal-Democratic Party (LDP) Wednesday, former party Vice President Nikaido plans to discuss trade as well as the yen's rise in talks with Senate Majority Leader Robert Dole, Minority Leader Robert Byrd and Dan Rostenkowski, chairman of the House Ways and Means Committee.

LDP officials, however, reported that it has not yet been confirmed whether Nikaido, who has in the past held a number of ministerial portfolios, will meet with government officials during his February 1-7 visit.

Japan posted a record world trade surplus of 82.67 billion dollars in the 1986 calendar year, 51.48 billion of which was linked to U.S. trade.

Moreover, with exports to the United States up 23.3 percent in the same year, protectionist legislation is expected to gain center field on Capitol Hill this year, a development Nikaido will attempt to underplay when he meets influential senators in Washington, party sources said.

TRADE MINISTER OPPOSES U.S. IMPORT DUTIES ON OIL

OW280440 Tokyo KYODO in English 0422 GMT 28 Jan 87

[Text] Tokyo, Jan. 28 KYODO -- Energy ministers of the International Energy Agency (IEA) will hold talks in Paris in early May to discuss energy issues including stabilization of crude oil prices, nuclear power and government crude oil storage policies, government officials said Wednesday.

International Trade and Industry Minister Hajime Tamura told visiting IEA Director-General Helga Steeg that he wants to attend the meeting of the Paris-based, 21-member organization.

Tamura and Steeg agreed to "discourage" a move in the U.S. Congress to impose import duties on crude oil and petroleum products for protection of domestic oil refineries, saying such measures would hamper the free trade system and the stable supply of energy resources, the officials said.

HU'S DOWNFALL CASTS SHADOW OVER ECONOMIC RELATIONS

OW250859 Tokyo KYODO in English 0610 GMT 25 Jan 87

[Text] Tokyo, Jan. 25 KYODO -- The resignation of China's party chief Hu Yaobang seems to have cast a shadow on economic ties between China and Japan. Officially, China has assured Japan that there will be no change in its open-door policy, and Tokyo has made it known that Japan will continue to support China's modernization efforts.

During his recent visit to Japan, China's Deputy Premier Tian Jiyun assured both Prime Minister Yasuhiro Nakasone and Foreign Minister Tadashi Kuranari that China wants Japan's continued support to pursue its economic reforms. Japan responded positively, taking the occasion of Tian's trip to announce Tokyo's readiness to lend 24 billion yen to China for the construction of a manufacturing zone for export products.

Privately, however, the Japanese Government is concerned according to sources within the government. They said it fears that the rise of dogmatic elements in China following Hu's downfall could put strains on the once cozy economic ties between the two countries. The concern seems particularly acute in the private sector.

Japanese Government sources say although China may not change its overall open-door policy, the setback suffered by economic reformists in China will slow down the pace of economic development.

Already, some trade officials in China are becoming cautious, apparently in a bid to avoid being called "bourgeois liberal," a charge brought against the student movement that brought Hu's forced resignation as general secretary last week, Foreign Ministry sources say.

Footdragging in China, Japanese Government sources say, will inevitably cool down enthusiasm in the Japanese private sector to invest in China.

Some government officials in Japan look at the brighter side of events in China, with hopes that the recent turn of events may act as "catalyst" for a more vigorous long-term economic growth.

Yet the prevailing view in Japan seems to be reflected in a remark made by a senior Foreign Ministry official that a cooling-down in the Chinese economy is inevitable over the next two or three years.

LILLEY'S SPEECH ON SITUATION IN SOUTH ASSAILED

SK280322 Pyongyang Domestic Service in Korean 2153 GMT 27 Jan 87

[MODONG SINMUN 28 January commentary: "Can Jackals Protect Sheep?"]

[Text] Appearng at a feast, Lilley, the U.S. ambassador in South Korea, delivered a speech. His speech consisted of cunning sophistry designed to shroud the true color of the U.S. imperialists as aggressors and plunderers with the cloth of protectors and to justify the U.S. imperialist aggressors' occupation of South Korea.

Lilley raved that the United States is interested in achieving the South Korean people's political freedom. While speaking in defense of U.S. economic aggression, he made absurd remarks that the United States and South Korea should be handled equally. It is brazen for the aggressors, who while posing as masters by illegally sitting on top of South Korea for more than 40 years, have violated the people's national dignity, sovereignty, and democratic rights through venomous fascist, military and colonial rule, to clamorously vow to offer political freedom to the South Korean people.

Lilley's boisterous babbling about equal relations between the United States and South Korea proceed from petty wiles designed to justify the former's maneuvers for economic plundering and to crown colonial South Korea with the cap of an independent country. Even more detestable is that posing as a protector of human rights, Lilley played the innocent, pretending that he had nothing to do with all manner of bloody, barbarous, and murderous acts of torture being committed in South Korea. Indeed, this is brazen. The U.S. imperialists were ringmasters who covered all of Kwangju with blood and corpses 7 years ago by supplying scores of thousands of troops to the murderous Chon Tu-hwan ring. It was the U.S. imperialists who, having helped traitor Chon Tu-hwan, engaged in hunting men, sat in the seat of power, and praised the rascal's unprecedented politics of murder and torture as an example of democratic politics. It is the U.S. imperialists who have supplied the vicious tools of torture, including the method for electrical shock used to torture and slaughter patriotic people.

Lilley took the behind-scenes-command of the barbarous holocaust in Kwangju. After crawling into South Korea last year, while clamorously calling for strengthening security, he was the ringmaster who instigated the puppets to cruelly and outrageously suppress the sit-in at Konguk University and the Seoul meeting of the New Korea Democratic Party held to forge ahead with the work of revising the constitution toward direct presidential election.

In his speech that day, clamorously babbling about the protection of human rights, Lilley degraded the South Korean students' righteous aspiration to oppose the United States and fascism as radical violence. Thus, de facto, he supported the puppets' barbarous torture and murder. Lilley's boisterous babbling about the puppets' barbarous acts of torture and murder was a petty trick designed to conceal his true color as the ringleader of the politics of murder and torture in South Korea and to allay the South Korean people's anti-U.S. sentiment, which has further increased with the passage of time.

How brazen are Lilley's absurd remarks that U.S. forces should continue to remain in South Korea for the sake of security! The U.S. imperialists' occupation of South Korea is the source of all the misfortunes and suffering of the South Korean people and the basic obstacle to peace and the peaceful reunification of the country. Today all responsibility for heightening tension on the Korean peninsula, for increasing the danger of war, and for creating the danger of imposing a nuclear disaster on the people rests with the U.S. imperialists.

Perversely ignoring our rational peace proposal for achieving peace and the peaceful reunification of the country, the U.S. imperialists are trying this year to coercively stage with the puppets the provocative "Team Spirit-87" joint military exercise against our Republic.

Lilley's theory of security is a sophistry designed to justify the U.S. forces' occupation of South Korea, a maneuver to turn South Korea into a nuclear base, and a criminal maneuver to provoke a new war.

Jackals can never protect sheep. Lilley, the U.S. imperialists' local errand boy, talked nonsense to overcome the crisis of shaking colonial rule and to safely maintain South Korea as a colonial nuclear forward base by allaying the South Korean people's anti-U.S. sentiment by concealing the aggressive and plunderous nature of the United States. Lilley's brazen act of talking nonsense will further increase the people's anti-U.S. sentiment.

'TEAM SPIRIT-87' CONDEMNATION CONTINUES

Maj Gen Yi Tae-ho's Letter

SK280443 Pyongyang Domestic Service in Korean 0309 GMT 28 Jan 87

[Text] Major General Yi Tae-ho, senior member of the KPA and Chinese People's Volunteers side to MAC, in connection with the enemies' plan to stage the large-scale "Team Spirit-87" joint military exercise in South Korea, sent the following letter of protest to the senior member of MAC of the United Nations Command:

U.S. Rear Admiral William Pendley, senior member of MAC of the United Nations Command:

I send this letter in connection with the large-scale "Team Spirit-87" joint military exercise your side plans to stage in South Korea.

You have officially announced that the large-scale "Team Spirit-87" joint military exercise, in which approximately 200,000 troops are to participate, troops who include not only the U.S. forces occupying South Korea and the South Korean puppet troops, but also U.S. military units of the U.S. Pacific Command and U.S. troops to be deployed from the U.S. mainland, will be staged in South Korea from 19 February through early May 1987.

The "Team Spirit-87" joint military exercise is a preliminary war and test nuclear war for an attack against the northern half of our Republic and socialist Asia which quickly hurls the huge U.S. armed forces stationed in the Pacific Zone and the U.S. mainland into South Korea.

The "Team Spirit-87" joint military exercise, to be staged under a state of cease-fire with the deployment of huge armed forces along the Military Demarcation Line and with the mobilization of a great number of troops and a great amount of modern operational equipment, is indeed a state which can be viewed as a prelude to war. Thus, this arouses our natural vigilance.

You have already deployed approximately 1,000 nuclear weapons of all types and their means of delivery in South Korea. You are now extensively building new special nuclear storage areas and planning to newly introduce even Lance nuclear missiles for forward deployment close to the Military Demarcation Line. Coinciding with this, you are again planning to stage the "Team Spirit-87" joint military exercise, the war exercise for perfecting the method for using weapons of mass-destruction. This shows that your side's nuclear war provocation maneuvers are reaching a more and more dangerous stage.

Proceeding from a sense of the heavy responsibility and the noble mission of peace in Korea and its peaceful reunification, our side has put forth many rational proposals to alleviate tension -- the proposal to limit military exercises, the proposal to turn the Korean peninsula into a nuclear-free peace zone, and the proposal to hold talks among military authorities.

In addition, since 1 February of last year, we have unilaterally halted large military exercises in all territorial areas of the northern half of the Republic. Moreover, we have taken the peaceful step of separating approximately 150,000 troops of the People's Army from the frontline and guardposts and mobilizing them for economic construction, and have proposed that your side take a corresponding step.

In particular, we have recently set forth an epochal nation-saving proposal to hold high-level North-South political and military talks to remove the state of political and military confrontation, which has reached an extreme, and provide a new phase for national reunification. However, your side has not accepted our active proposal for detente, dialogue, and peaceful reunification, but has answered it by again waging the "Team Spirit-87" joint military exercise. This is an open challenge to our people and the peace-loving people of the world who have made every effort to ease tension on the Korean peninsula and achieve peaceful reunification.

Additionally, your side has stated that our side, the object of attack in the war exercise, would be invited to observe it. This is nothing but a brazen act designed to hide the aggressive nature of the "Team Spirit-87" joint military exercise and to mock and insult our side.

I lodge a grave protest with your side against your planning to wage the large-scale "Team Spirit-87" joint military exercise by wantonly violating the preamble of the Korean Armistice Agreement designed to prevent the recurrence of war and peacefully solve the Korean question, and paragraph 13-c and 13-d which stipulate the ceasing of the introduction of reinforcing military personnel, weapons, and operational equipment from outside the Korean boundary and by introducing countless armed forces of aggression into South Korea. Also, I strongly demand that the plan to wage the exercise be canceled immediately.

[Signed] KPA Major General Yi Tae-ho, senior member of the KPA and the Chinese People's Volunteers side to the Military Armistice Commission on 28 January, 1987.

CPRF Statement

SK271218 Pyongyang Domestic Service in Korean 1200 GMT 26 Jan 87

[Text] In connection with the scheme of the U.S. imperialists and the South Korean puppet clique to launch the "Team Spirit-87" joint military exercise, the CPRF has issued a statement to denounce it as follows:

CPRF Statement:

The U.S. imperialists and the puppet South Korean clique announced a plan for the "Team Spirit-87" joint military exercise on 22 January. According to this plan, vast forces more than 200,000 strong, including units of the U.S. imperialist forces of aggression from the U.S. mainland and the Pacific, forces occupying South Korea, and the South Korean puppet army will participate in this joint military exercise which is scheduled to begin on 19 February and last until early May. Forces of various descriptions, including an aircraft carrier battle group belonging to the U.S. 7th Fleet, will also be put into this joint military exercise.

We cannot help but pay special attention to, and regard as a grave development, the provocative war exercise which directly runs counter to the relaxation of tension and guarantee of peace on the Korean peninsula.

As is widely known, some time ago we put forward a new epochal proposal for holding high-level North-South political and military talks in order to ease the acute tension on the Korean peninsula and create a favorable environment for peace and peaceful reunification and, for its realization, sent a letter containing concrete proposals to the South Korean side.

The announcement of the "Team Spirit-87" joint military exercise by the U.S. imperialists and the South Korean puppets is an intolerable challenge to these reasonable peace proposals and patient efforts for peace on our part.

In the name of all the Korean people, the CPRF resolutely denounces the aggressive and antinational maneuvers of the U.S. imperialists and the South Korean puppets who are about to kick up a commotion of a large-scale war exercise running counter to peace and the peaceful reunification of our country.

The grave situation now prevailing in our country urgently demands that authorities in South Korea accept our new peace proposal as a matter of course and sit at the negotiating table with us for the relaxation of tension.

In fact, the state of political and military confrontation between the North and South which is becoming more acute with the passage of time presents a pressing task for those who hold real political and military power in the North and South to sit together and solve, before anything else, the pressing issues concerning peace in the country and the fate of the country at an early date.

Nevertheless, the South Korean ruling clique is planning to start a large-scale war racket against the fellow countrymen and is aggravating tension in league with outside forces, paying no heed to the important national task which should be accompanied by common efforts with the fellow countrymen. It is a monstrous treachery never to be condoned.

While we are making a sincere bid to discuss measures to ease tension between fellow countrymen and eliminate the danger of war for the country and people, the South Korean ruling clique, contrary to our efforts, is attempting to plunge the country and people into catastrophic danger by encouraging confrontation within the people and by increasing the danger of war. We can hardly hold back the surging national indignation and hatred.

Essentially, the fact that the Chon Tu-hwan ring allows U.S. troops to continue to be stationed in South Korea, allows them to trample underfoot South Korea's national dignity and sovereign rights, and it creates the danger of a nuclear war capable of annihilating the entire nation with U.S. nuclear weapons stored inside the country is in itself an intolerable crime.

Instead of attempting to root out the source of such national misfortune and disaster, the South Korean ruling clique has escalated "Team Spirit" each year by introducing many aggressive U.S. weapons thus currying favor with their U.S. masters, and has plunged the people into the danger of a nuclear war by extremely exacerbating tension, and they are now advancing down the road of endlessly suspending the North-South dialogue which was arranged after turns and twists. Can the South Korean ruling clique be considered to have at least modicum of national conscience and even the slightest aspiration for dialogue and peace?

In reality, by ignoring the peace proposal of nearby fellow countrymen and following the aggressive war policy of the distant U.S. imperialists, the South Korean ruling clique makes it self-evident that it is a group of traitors holding the interests of foreign aggressive forces dearer than the interests of the nation and that they would rather dance to the tune of the powder-reeking war trumpet of the outside forces than respond to the generous call of the fellow countrymen.

Since the U.S. imperialists are again scheming to stage the aggressive "Team Spirit" joint military exercise against us, we think it proper to sound warnings to the United States, too. The tense situation and the danger of war being created on the Korean peninsula are entirely due to the occupation of South Korea by the U.S. imperialist and their policy of aggression. "Team Spirit", which the United States plans and commands, and in which the U.S. Armed Forces make up the main force, is a chief factor aggravating tension on the Korean peninsula and bringing the situation to the brink of war.

Long ago we repeatedly advanced proposals for negotiation with the United States in a bid to alleviate tension and guarantee durable peace on the Korea peninsula and to create a precondition for peaceful reunification and in recent years, advanced a proposal to hold tripartite talks involving us, the United States, and South Korea. However, paying no attention to our proposals, the United States has put forth the proposal to hold direct North-South dialogue as a precondition.

When we did actually initiate North-South dialogue and sit face to face with the South Korean side, the United States -- which has so persistently demanded direct North-South dialogue -- while committing acts of laying artificial obstacles to these proposals and throwing a wet blanket over them, did not hesitate to cause the multi-channelled North-South dialogue to be suspended because of the "Team Spirit" joint military exercise.

When we advanced a proposal to hold talks of military authorities who hold real power among us, the United States, and South Korea in an attempt to end the state of confrontation and create an atmosphere favorable to dialogue under serious circumstances in which it was impossible to hold even dialogue between the North and the South, the United States thoughtlessly evaded this proposal saying that this is the problem to be solved by North and South of Korea themselves. The fact that the United States is planning to force the "Team Spirit" joint military exercise again at a time when our momentous proposal to solve problems by holding high-level North-south political and military talks has been advanced proves that North-South direct dialogue babbled about by them is a lie and that they actually do not want any type of dialogue.

The U.S. imperialists are clearly revealing to the people throughout the world that they are an obstacle to dialogue, an enemy of peace, and ringleader of war by attempting to conduct the joint military exercise even this year during which new important peace talks were proposed to be held after disregarding public opinion at home and abroad.

The U.S. imperialists' plot to conduct "Team Spirit" without paying attention to dialogue, alleviation [of tension], and peace on the Korean peninsula is designed to continuously occupy by force and hold onto South Korea as their colony and to use it as an aggressive military base and a nuclear forward base.

The decision to drag out the period of the military exercise until early May this year -- a period which is longer than in previous years -- made by the U.S. imperialists and the South Korean puppets is related to their maneuver designed to threaten students and the people in the spring when confrontation between democratic and fascist forces grows most acute in South Korea and especially to block at any cost the people's massive advance expected in May, the month during which the Kwangju uprising took place. However, the U.S. imperialists and the South Korean puppets must not miscalculate.

Already in South Korea, an anti-U.S. struggle movement of the people who oppose the colonial rule of the U.S. imperialists and who want to live independently surges as an uncheckable force, and there is mighty power in the antiwar, antinuclear, and antifascist patriotic forces who do not fear any type of military menace and suppression with bayonets.

The U.S. imperialists and the Chon Tu-hwan puppet clique must know that they will not get anything from the war racket, as they can convince no one with the fiction of the threat from the North.

We strongly demand that the U.S. imperialists and the South Korean ruling rascals unconditionally withdraw the plan to conduct "Team Spirit-87" scheduled to be held against dialogue and peace, and not commit any type of act which aggravates tension on the Korean peninsula. The United States must give up the anachronistic desire to hold onto South Korea as its colony indefinitely and go back to its den, taking along its aggressive troops and nuclear weapons.

The South Korean authorities must not oppose their fellow countrymen by participating in the aggressive "Team Spirit" joint military exercise with the U.S. imperialists but immediately respond to our proposal to hold high-level North-South political and military talks for alleviation [of tension] and reunification. At the same time, they must not commit nation-butcherly, slaughtering and suppressing the South Korean students and people, their fellow countrymen, but immediately renounce the anticommunist and fascist moves.

If the U.S. imperialists and the South Korean puppets insist on conducting the "Team Spirit-87" joint military exercise at all costs, they will have to bear full responsibility for all the consequences arising therefrom.

[Dated] 26 January 1987, Pyongyang

KCNA STATEMENT ON POSSIBLE SHIP DEFECTON

SK260445 Pyongyang KCNA in English 0425 GMT 26 Jan 87

[Text] Pyongyang January 26 (KCNA) -- The KOREAN CENTRAL NEWS AGENCY on January 25 made public the following statement in connection with the schemes of the Japanese authorities to use for a sinister politital purpose those aboard the ship "J-Dan 9082" belonging to Chongjin port, North Hamgyong Province of our country, which met with a disaster on the East Sea:

As already reported, 11 persons aboard the ship "J-Dan 9082" belonging to Chongjin port, North Hamgyong Province of Korea, failed to reach their destination because of an engine trouble on their way from Chongjin port to Wonsan to visit their family members and relatives on January 14 and met with a disaster on the East Sea to reach Tsuruga port, Fukui Prefecture, Japan, on January 20.

In this connection, we repeatedly requested the Japanese side through the Central Committee of the Red Cross Society of the Democratic People's Republic of Korea to give active cooperation for the treatment and safe return of our ship and those aboard it on a humanitarian principle.

This notwithstanding, the Japanese authorities, openly turning their faces away from our request, have become undisguised in their move to send these aboard our wrecked ship to South Korea contary to the international usage and their will.

Lurking behind this is a wicked attempt of the Japanese authorities to use the question which would be settled in a humanitarian way for their foul political purpose.

Those aboard the ship "J-Dan 9082" have already made it clear more than once that they have no intention to seek asylum in Japan or go to South Korea.

This has been clearly confirmed by a Japanese organ concerned from the beginning.

But the Japanese authorities are now spreading public opinion as if they had an intention to find "asylum" in South Korea.

This, in fact, is designed by the Japanese authorities to invent a pretext for transferring them to South Korea.

On January 24 the January newspaper FUKUI reported the true mind of those aboard our ship: "We are homesick and we would like to return to our republic".

The Japanese authorities are talking about "asylum" of those aboard our ship, but they failed to produce any ground of "asylum" up to this day, nearly a week after the incident.

The maritime safety chief of the 8th district of the Maritime Safety Agencies of Japan who is in control of our ship said at a press conference:

"Now the Ministry of Foreign Affairs continues its efforts to verify whether they desire asylum or not."

If the crewmen had any intention to "seek asylum" as they claimed, they would have already expressed their will on their arrival.

To what extent the Japanese authorities imposed brainwashing upon the distressed can be well illustrated by the fact that Kim Man-Chol said that the girl aboard the ship with him was his wife.

Perhaps, Kim Man-chol in a mental derangement must had thought that he had to tell this lie to save himself from danger.

His wife now lives in Chongjin and is eagerly waiting for her husband and children.

These few facts are enough to reveal the insidious political purpose sought by the Japanese authorities in handling this incident.

We cannot but take this improper behavior of the Japanese authorities very serious.

The attempt to transfer the people drifted due to an engine trouble forcefully to South Korea, instead of sending them back home, cannot be justified in any case both in view of the principle of humanitarianism and international law and in view of a humanitarian precedent set by us in the past.

The Japanese authorities themselves know well that our republic has warmly protected in a humanitarian way many Japanese ships which were caught in a storm while catching fish and wanted help or drifted into our ports and safely sent all of them back home.

We were working to find a clue for a humanitarian solution of the question of the master of the Japanese ship "Fujimaru No 18" now detained for his hostile act in our country.

If the Japanese authorities persistently scheme to send our people to South Korea disregarding our good will, we cannot interpret this otherwise than that we have every right to do the same in dealing with Japanese ships which will fish in our territorial waters in the future.

And this will cast a shadow over the prospect for the settlement of the "Fujimaru No 18" master problem which we intend to solve with goodwill.

Further, it would create grave difficulties in the future solution of other pending problems which are being solved favourably.

Moreover, if our distressed crewmen are taken to South Korea and they are made political scapegoats by the South Korean puppets, the Japanese authorities would get deeply involved in further aggravating the present North-South confrontation and be unable to evade the responsibility for the ensuing consequences.

The Japanese authorities must drop their scheme to turn the humanitarian problem into a political one in collusion with the South Korean puppets, give a careful consideration of this problem and send back our ship and people as soon as possible to our republic according to international law and usage and on the principle of humanitarianism and reciprocity.

We can never overlook the fact that the South Korean puppets are behaving indiscreetly, poking their nose into the problem of our distressed crew and talking this or that about it in concert with the Japanese authorities.

Now the South Korean puppets are scheming to take the crew of our ship drifted to Japan to South Korea at any cost with a sheer lie that they "defected" from our country and sought "asylum".

The puppet "minister of foreign affairs", meddling even in the problem to be solved between the DPRK and Japan in a humanitarian way, is making much ado indiscreetly, asserting that the Japanese authorities should not send back the distressed crew to our republic. This is ridiculous, indeed.

The South Korean puppets must give up at once their sinister plot to use our distressed crew in fostering the North-South confrontation.

We will make all efforts to take back our ship and people and continue to watch the attitude of the Japanese authorities.

DPRK POWER INDUSTRY COMMITTEE STATEMENT

SK190307 Pyongyang Domestic Service in Korean 2200 GMT 18 Jan 87

[Statement issued by the DPRK Power Industry Committee on 19 January, 1987 in Pyongyang]

[Text] As is known, last year we clearly revealed our fundamental position on the construction of the Kumgangsan power station and its details. All peoples of the world know well that our construction of the Kumgangsan power station has nothing to do with any military purpose, and is a peaceful construction project and a grand nature-remaking project. In contrast, the impure maneuvers of the South Korean puppets to find fault with our construction of the Kumgangsan power station are derided and denounced by the South Korean people and the peoples of the world because the inside story of these maneuvers has been more clearly disclosed with the passage of time.

Because the South Korean rulers have unskillfully used our construction of the Kumgangsan power station in anticommunist maneuvers, their propaganda campaign using such words as 20 billion ton of water and flooding operations has been completely crushed. This has driven the puppets into a corner, where they are strangling in their own noose.

Therefore, on 16 January the South Korean rulers released the so-called statement by the minister of construction and kicked up vicious maneuvers of attempting to mislead public opinion by again finding fault with our construction of the Kumgangsan power station and by distorting even the content of the white paper we released. In the statement, they fabricated for their own benefit the geological features of the area where the Kumgangsan Power station is being built, the dam structures, the waterline system, and the danger level of the water, and nonsensically talked about discussion, investigations, and compensation.

However, the South Korean puppets, failing to conceal their bad habit of telling lies, again told preposterous lies. They babbled that the area where we are building the Kumgangsan power station is a limestone area and that after the power station is completed, a dangerous situation may be brought about by floods, natural collapse [of the dam], or earthquakes. We cannot be surprised to learn that those in the South, living across the [Military] Demarcation Line, say that they know the geological structure in an area on our side better than us. The area where we are building the Kumgangsan power station is composed of quartzite and (?grit) that have a high degree of hardiness. However, the South Korean puppets distorted the truth by refraining from noting that the area is principally composed of limestone, a very small quantity of which is found on mountain slopes. Even supporting the area is composed only of limestone, no problem has arisen when many countries of the world built large-scale dams on sites composed of limestone. Why does only the Kumgangsan power station cause problems?

Moreover, the South Korean puppets foolishly maneuvered to convince the people of the world by even raising a question about destruction of the dam by earthquakes. However, this is also designed to find fault with another's business. Our principle is to build the dams of all power stations in a way that guarantees safety even when powerful earthquakes occur. The Kumgangsan power station is no exception to this. If they are concerned about earthquakes, it would be better for the South Korean puppets to take safety measures for their Hwachon power station or their Soyanggang power station.

The South Korean puppets also viciously distorted and fabricated the height of the dam of the Kumgangsan power station and its waterline system. They said that it is possible to build 200-meter-high dam because the underwater bottom of the Imnam Reservoir is 700 meters wide and that we technically designed water systems in a way that water from the Chongok, Naepyeong, and Changan Reservoirs can be drawn into the Imnam Reservoir. This is also preposterous. Even though the South Korean puppets babble as if the width of the underwater bottom of a dam determines its height, this is ignorant sophistry because they only know one side of the story. The ratio between the width of the underwater bottom of a dam and its height varies according to its structure, material and methods used in its construction, and how its solidity is guaranteed. Contrary to those of the South Korean hydraulic power stations in South Korea, we designed the bottom of the Imnam dam of the Kumgangsan power station in such a way that most guarantees its solidity: It is safe even in the most devastating flood in 10,000 years. Building a 200-meter-high dam, as the South Korean puppets said, is unimaginable. If we do so, we ourselves will be its first victims. Why is it necessary for us to build so high a dam, even while suffering an enormous economic loss by flooding the vast area of the Kangwon Province.

They said that we will draw into the Imnam Reservoir water from the Chongok Reservoir along the upper North Han River, the Changan Reservoir along the upper Imjin River, and the Naepyeong Reservoir of the (Komitan) River.

This is an unworthy excuse designed to justify the theory of flooding operation, a theory that has been already crushed. As was clarified in the white paper, we designed the waterline system not in a way that water from various reservoirs is drawn into the Imnam Reservoir, which is farthest away from the power station, and that this water is again drawn into the power station, but in a way that water from various reservoirs is drawn to the power station by using the shortest water tunnels, and we are building them this way. The South Korean puppets who did not engage in the design and who do not participate in the construction, fabricated the waterline system of the Kumgangsan power station for their benefit to prove the flood theory. However, how can water, which is designed to be drawn to the power station through the shortest routes, be drawn to the Imnam Reservoir after going a long way around? Needless to say, if we draw to the Imnam Reservoir water from other reservoirs as the South Korean puppets asserted unreasonably, it cannot be stored in this reservoir whose storage capacity is 2.6 billion tons.

We pay attention to the fact that although the South Korean authorities are accustomed to tell lies, they have belatedly admitted that our Kumgangsan power station consists of not one reservoir but four reservoirs. The South Korean puppets have distorted facts to the effect that our Kumgangsan power station consists of one reservoir, which will be filled by 20 billion tons of water. They have drawn the sketch of a large reservoir to support their assertion. They have distributed this sketch among the people of South Korea and the world. However, unable to conceal the truth any longer, they have come to recognize it. We consider this the act of frankly admitting their conspiratorial and false propaganda on flooding operations and on a special construction project being a complete lie.

Despite this, in the recent statement the South Korean puppets doggedly called for negotiations for the use of hydraulic resources and for a joint investigation. This is very foolish. Under circumstances in which the construction of the Kumgangsan power station is our own project that is being carried out in accordance with our plan for developing the national territory and in which this construction project does not influence the South side, it is very natural that there is no need to conduct negotiations or a joint investigation.

We would like to ask the following questions: Does the South Korean ruling clique have the face to belatedly urge us to conduct negotiations after maliciously slandering us for months concerning the issue of building the Kumgangsan power station and after doing all sorts of bad things? Have the South Korean puppets conducted negotiations with us while introducing more than 1,000 U.S. nuclear weapons, which are enough to annihilate our people, into the country? Have they proposed a joint investigation? The South Korean puppets will not be able to deny that while building the barrier of division by building a concrete barrier spanning the distance of 200 kilometers from east to west to sever the middle of the sacred national territory, they did not listen to our objections and expostulations nor have they discussed the matter with us.

It is outrageous for the South Korean ruling clique to urge us to conduct negotiations over a peaceful construction project, which is related to the prosperity of all the people as well as of the people of our northern half, without the history of conducting negotiations with us over a military issue which was related to the existence of the people and which directly threatened us.

It is not accidental that the South Korean authorities raise an anti-republic commotion at the outset of the new year by once again coming up with the question of our construction of the Kumgangsan power station, which poses no problem. Because of the anti-U.S. and antifascist struggle for democracy, which has been further stepped up in South Korea, the Chon Tu-hwan ring faces the greatest political crisis since seizing power; it faces a serious crisis of downfall. In particular, the situation -- in which the voices of the people at home and abroad support the proposal for holding high-level North-South political and military talks, our new nation-saving proposal -- has made the position of the South Korean authorities much more unstable.

In order to maintain the shaking colonial fascist ruling system and its remaining life at any cost, the Chon Tu-hwan ring, which has been isolated and rejected at home and abroad and which has been driven into a corner, has used the issue of our construction of the Kumgangsan power station as an asset for overcoming the crisis. However, the South Korean ruling clique should clearly understand that picking a quarrel over the issue of water against the fellow countrymen will gain nothing and that this will only cause trouble.

We demand that although it is belated, the South Korean puppets regain reason and immediately stop the acts of slandering our construction of the Kumgangsan power station and of using this for an anticomunist commotion.

We once again make it clear that although the South Korean authorities have no face to refer to dialogue over the issue of the construction of the Kumgangsan power plant, we are ready to discuss the issue on the condition that they apologize for seeking an impure political aim with the issue of the construction of the Kumgangsan power station, just as we clarified in the statement issued on 29 December last year, and for trying to degrade our dignity.

Today's situation in which a peaceful construction project like the construction of the power station is being brazenly used by the South Korean authorities for political and military confrontation clearly proves the justness of our proposal for holding high-level North-South political and military talks and the urgent nature of the implementation of these talks.

We made it clear that if the South Korean authorities truly feel a threat from the construction of the Kumgangsan power station, they should respond without delay to our peace proposal for eliminating political and military confrontation between the North and South and that the issue of the construction of the Kumgangsan power station will be discussed at these talks.

As for the question of compensation for the loss of electric energy, it is not worth discussion at all. No matter what remarks the South Korean ruling clique may make concerning the issue of the construction of the Kumgangsan power station, we will never commit the act of inflicting injury on the South Korean people, the same fellow countrymen and bretheren, who share the same blood lineage and live together with us in the same territory.

If the South Korean authorities do not correctly view our stand and if they continuously traverse the road of using the peaceful construction project being carried out by the same fellow countrymen for conspiratorial anticomunist maneuvers to fan the sentiment of enmity and confrontation among the people, they will bear full responsibility for all the consequences of this act.

19 January 1987, Pyongyang.

Apology Demanded

SK191031 Pyongyang KCNA in English 1017 GMT 19 Jan 87

[Text] Pyongyang January 19 (KCNA) -- We declare once again, as we made clear already in our November 28 statement, that although the South Korean authorities have no face to talk about dialogue on the problem of the construction of the Kumgangsan power station, we are ready to discuss this problem only when they apologize to us for the fact that they have so far sought an insincere political purpose and worked hard to impair our dignity with regard to the problem.

The Power Industry Commission of the Democratic People's Republic of Korea stressed this in a statement issued today.

The statement pointed out in detail that through the socalled January 16 "statement" of the "minister of construction" the South Korean rulers again slandered our construction of the Kumgangsan power station and despicably tried to mislead public opinion, distorting even the content of the white paper issued by us. It said:

It is only too foolish of the South Korean puppets to clamour in a far-fetched way through the "statement" about "consultation" and "joint investigation" for the use of hydraulic reservoirs.

The construction of the Kumgangsan power station is an undertaking conducted on our own accord under our plan for land development and, further, it gives no effect on the South side. Under such condition there is nothing to discuss and there is no need to conduct a joint investigation. This is very evident.

We would like to ask the South Korean rulers whether they have any cheek to urge us now belatedly to have a discussion after having maliciously slandered us and done all kinds of evil acts for months against the construction of the Kumgangsan power station.

We would like to ask the South Korean puppets whether they have ever consulted us and proposed to us to conduct a joint investigation, while introducing into the country over 1,000 pieces of U.S. nuclear weapons which are more than enough to exterminate our nation.

When they were building a reinforced concrete wall in a 200 kilometre section from east to west, bisecting the sacred land, they refused to lend an ear to us though we so persistently opposed and advised them and had no consultation with us about it. They cannot deny this fact.

We cannot but say that it is outrageous for the South Korean rulers who have never consulted us about the military matters deciding the fate of our nation and posing a direct threat to us to propose to us to discuss a peaceful construction project related with the prosperity of all our nation including our people in the North.

Although it is belated, we hold that the South Korean puppets must return to reason even now and put an immediate end to its treacherous act in slandering the construction of the Kumgangsan power station in the North and using it for anti-communist propaganda.

DIPLOMAT MAY INTERVIEW N. KOREAN DEFECTORS

SK280125 Seoul THE KOREA HERALD in English 28 Jan 87 p 1

[Text] An interview by South Korean diplomats of 11 North Korean Defectors in Japan is likely to be arranged today, a Ministry of Foreign Affairs official said yesterday.

Kim Tae-chi, assistant minister of foreign affairs for planning and management, met with Japanese officials to arrange the interview, the ministry official said.

The South Korean government dispatched the assistant foreign minister to Tokyo Monday to ascertain where the defectors want to go for resettlement.

The official said it is most desirable for the defectors to come to the Republic of Korea. But he added that Seoul and Tokyo will respect their decision whatever third country they wish to go to.

It is primarily Japan's responsibility to arrange their resettlement, he said.

However, he said, the Republic of Korea will cooperate with Japan in finding a host country once they make a final decision.

Asked to comment on reports that Japan is contacting some Asian countries for the defectors's resettlement, the official said they have not made their final decision yet.

Though it is most desirable for them to come to the Republic of Korea, he said, they may decide to go to a third country.

The Republic of Korea, he said, wants to ascertain what motivated them to escape from North Korea as well as which country they wish to go to when the interview is conducted.

Following the interview, he said, the Republic of Korea will cooperate with Japan in finding a host country for them and providing the means of their transportation.

PRIME MINISTER NO SIN-YONG VISITS PORTUGAL

For reportage on Prime Minister No Sin-Yong's official visit to Portugal, including his meetings with Protuguese Prime Minister Cavaco Silva and Foreign Minister Pires de Miranda, see the Portugal section of the 27 January Western Europe DAILY REPORT and subsequent issues.

MONTSAME REPORTS ESTABLISHMENT OF TIES WITH U.S.

OW271730 Ulaanbaatar MONTSAME in English 1701 GMT 27 Jan 87

["Joint Communique of the Governments of the Mongolian People's Republic and the United States of America on the establishment of Diplomatic Relations" -- MONTSAME headline]

[Text] Ulaanbaatar, 27 January (MONTSAME) -- Following consultations between their duly authorized representatives at the United Nations in New York and having confirmed their commitment to the principles of equality, non-interference in each other's internal affairs, mutual respect and mutual benefit, the Government of the Mongolian People's Republic and the Government of the United States of America have decided upon the establishment of diplomatic relations, at the ambassadorial level, effective 27 January 1987.

FOREIGN MINISTER TO VISIT USSR AT END OF MONTH

OW240547 Ulaanbaatar MONTSAME in Russian 1507 GMT 22 Jan 87

[Text] Ulaanbaatar, 22 Jan (MONTSAME) -- Mangalyn Dugersuren, member of the MPRP Central Committee and MPR minister of foreign affairs, will pay an official visit to the Soviet Union in the end of January at the invitation of the Soviet Government.

RESULTS OF SOCIALIST EMULATION ANNOUNCED

OW270033 Ulaanbaatar MONTSAME in English 1710 GMT 26 Jan 87

[Text] Ulaanbaatar, 26 January (MONTSAME) -- The Mongolian People's Revolutionary Party Central Committee, the MPR Council of Ministers, Central Council of the Mongolian Trade Unions, and the Mongolian Revolutionary Youth Union Central Committee have summed up the outcomes of the nationwide socialist emulation for 1986. Herdsmen of Bayan Olgii Cobi Altay and Hobd Aymags (western provinces) are named the winners who have outperformed others in increasing the livestock population, the production of animal husbandry output and raw materials, in fulfilling other economic tasks. They have been awarded the rotating red banners of the socialist emulation. The workers and farmers have been granted free-of-charge vouchers to rest homes and tourist trips to the fraternal socialist countries.

The MPRP CC, the MPR Council of Ministers, MTU Central Council and the MRYU CC called on party, state and public organisations of this country to consolidate the achieved progress.

HENG SAMRIN INTERVIEWED ON C. AMERICAN ISSUES

PA240239 Havana International Service in Spanish 2300 GMT 22 Jan 87

["Exclusive interview" with Heng Samrin, "president" of the PRK, by Julio Dominguez -- with passage by passage translation from Cambodian into Spanish -- place and date not given -- recorded]

[Text] [Samrin] Please let me take this opportunity to express on behalf of the party, the government, and the Cambodian people our feelings and greetings through Radio Havana Cuba to the party and government of the heroic Cuban people. We also want to express our thanks to Radio Havana Cuba for its initiative in organizing this interview, which gives me a good opportunity to express our heartfelt and fraternal revolutionary feelings to the Cuban and Latin American peoples. I will now answer your questions.

[Dominguez] Comrade President, Cambodia has proposed the creation of a demilitarized zone along the common border with Thailand, placing it under international supervision and control. What is the current situation regarding this proposal?

[Samrin] Regarding this problem, as is well-known, the PRK and the two other Indochinese countries wish to live in peace with their neighboring countries as well as with all other countries in the world. This is a peace without distinctions between political regimes, based on mutual respect for independence, sovereignty, and physical safety. We call for nonintervention in the internal affairs of other nations, peaceful coexistence, equality, and mutual benefit.

Thailand has always rejected our good intentions. Furthermore, it has applied a hostile policy against the PRK and provided and still provides aid to the remaining Pol Pot supporters and other reactionary Khmers. Thailand has even provided its territory for use by the Pol Pot supporters and Khmers as their sanctuary in carrying out sabotage against the rebirth of the Cambodian people.

[Dominguez] Many believe that the situation in Central America, especially in Nicaragua, is worsening every day due to the support the United States gives the Salvadoran regime and the Somozist counterrevolutionary bands. We would like to know your opinion about this problem.

[Samrin] It is obvious that the situation in Central America, particularly in Nicaragua, is worsening due to U.S. imperialist warmongering and its aggressive interventionist policy in this region. Not only has the United States provoked the tension in Central America by helping the contras or through its direct participation in actions against the progressive nations like Cuba, Nicaragua, and El Salvador [as heard], but it has also been applying this policy against other nations in the world. Moreover, it helps and supports the well-known Pol Pot supporters and other reactionary Khmers, who have been condemned and hated by the entire world because of their opposition to the rebirth of the Cambodian people.

[Dominguez] Despite the worldwide rejection, the Pretoria regime maintains its racial segregation system by force, which discriminates and humiliates South African blacks. Could you give your opinion about this issue?

[Samrin] The Pretoria segregationist regime seeks the racial elimination of the natives as well as the repression of the South African people's liberation movements through outrageous killings. All nations in the world, and especially the PRK are against this cruel regime and in favor of human rights and freedom for South African blacks.

To conclude, I want to express that I firmly believe that the Central American peoples' struggle against the U.S. warmongering, aggressive, and interventionist policy will attain the final victory. The Cuban people, under the direction of the Cuban Communist Party, headed by our dear Comrade Fidel Castro will attain new victories in the construction of socialism and the courageous defense of the country. The Cambodian people always support the Central American peoples' progressive struggle and the struggle of all nations in the world for independence, freedom, democracy, and social progress.

VODK: PRINCE RANNARIT REJECTS SRV PROPOSAL

BK250235 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 24 Jan 87

[Text] In a statement made in Bangkok on 21 January, Prince Norodom Rannarit, commander in chief of the Sihanoukist National Army [ANS], rejected Vietnam's proposal for the CGDK to hold talks with the Vietnamese puppets in Phnom Penh.

The prince said that this Vietnamese proposal for the CGDK to hold talks with its puppets in Phnom Penh is just a ploy. We have not accepted this Vietnamese proposal. On the contrary, Samdech Norodom Sihanouk, president of Democratic Kampuchea, has rejected this proposal and called on Vietnam to hold direct talks with the CGDK.

The prince added that if the CGDK agrees to hold talks with the Vietnamese puppets in Phnom Penh, the Vietnamese will say that the Cambodian problem is an internal matter which has not been caused by the Vietnamese aggression.

VODK: SIHANOUK COMMENTS ON TALKS PROPOSAL

BK260250 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 25 Jan 87

[Text] Democratic Kampuchean President Samdech Norodom Sihanouk told a Yugoslav newspaper in Belgrade on 22 January that Vietnam twice sent letters to the CGDK proposing that the CGDK negotiate with the Heng Samrin puppets in Vienna or Bucharest, but he refused. The samdech said that any negotiation should be held between the CGDK and Vietnam since the Cambodian problem was caused by Vietnamese aggression, not by a civil war.

The samdech demanded that Vietnam withdraw all its aggressor troops from Cambodia. He said that such withdrawal, which can be conducted in two stages under the UN supervision, is a precondition for any negotiations between the CGDK and Vietnam. The samdech said he did not reject the presence of Heng Samrin and Hun Sen in the negotiation, but he would not negotiate with them. The samdech went on: We also plan to set up a four-sided coalition government of Cambodia, which will include the Heng Samrin clique. But that will be impossible before the withdrawal of Vietnamese troops.

The samdech expressed satisfaction with the unity within the CGDK, saying that his troops have been cooperating closely with the Democratic Kampuchean National Army and are launching vigorous attacks against the Vietnamese aggressor troops.

VOK ASSESSES RECENT SRV TALKS PROPOSAL

BK270756 (Clandestine) Voice of the Khmer in Cambodian 0500 GMT 27 Jan 87

["Political commentary": "Around Vietnam's Peace Proposal"]

[Text] The CGDK recently rejected Vietnam's peace proposal, which Vietnam quietly proposed, so as not to alert people in case this proposal were rejected, through President Nicolae Ceausescu of Romania. In this proposal Vietnam suggests that the Heng Samrin side hold talks with the CGDK to set up a 4-party Cambodian Government, comprising the Heng Samrin side and the CGDK's three parties. Afterward, Vietnam will hold talks with the 4-party Cambodian coalition government to withdraw its troops from Cambodia. The CGDK, a government recognized by the United Nations, holds that talks to find peace for Cambodia should necessarily be held between the CGDK and Vietnam because Vietnam is the aggressor in Cambodia. The CGDK's first condition for any talks with Vietnam is the withdrawal of Vietnamese aggressor forces from Cambodia. Therefore, it is utterly nonsense that in Vietnam's peace proposal the CGDK -- a legitimate government representing the Cambodian people -- is asked to hold talks with the Heng Samrin regime, which Vietnam has propped up while Vietnamese forces are occupying Cambodia and causing all kinds of hardship for the Cambodian people.

In the past few years, before making this peace proposal, Vietnam loudly boasted that the situation in Cambodia is irreversible, meaning that Vietnam will wipe out all CGDK forces and strengthen the Heng Samrin regime, propped up by Vietnam when it invaded Cambodia in early 1979, so that Vietnam can pull out its forces from Cambodia which, by then, can be controlled by Vietnam through the Heng Samrin puppets in Phnom Penh. Before that, Vietnam never thought of making such a peace proposal to Cambodia. It only made plans to repeatedly attack and wipe out the CGDK forces. In the past few years, Vietnam has spent a lot of money and human lives to achieve this goal. Everyone knows the Vietnamese Army's exploits in fighting. Unfortunately, this time Vietnam has been seriously disgraced in its war of aggression in Cambodia and this has recently compelled Vietnam to whisper this peace proposal to the CGDK through President Nicolae Ceausescu of Romania.

Currently, Vietnam is quiet and no longer boasting as before that the situation in Cambodia is certainly irreversible because Vietnam itself clearly realizes that its Army has not only failed to wipe out the CGDK forces, as claimed by Vietnamese leaders, but has been pushed into a serious impasse in Cambodia by the CGDK forces. This is a position which imposes that Vietnam will have to face more losses and vast expenses both in human lives and resources. International opinion is convinced that the factor compelling Vietnam to make this peace proposal is Vietnam's difficulties both in Cambodia and in Vietnam. The problem facing Vietnam on the Cambodian issue is this: If Vietnam continues its war in Cambodia, it will have to spend a lot to do so. And on Vietnam's resources, it is better not to talk about them. Vietnam is up to its neck. Vietnam's economy is deteriorating to the extent that it cannot be listed. Because of the Cambodian issue, Vietnam cannot expect to receive any assistance, except from the Soviet Union, which is deeply involved with Vietnam in the Cambodian problem. This why Vietnam has to find a new trick.

In sum, Vietnam's peace proposal is not sincere. The truth is that Vietnam wants all Cambodian parties to join Vietnam for peace in Cambodia. Or else, this proposal is just a trick to enable Vietnam to claim in its propaganda that the war in Cambodia is a civil war among Cambodians and not Vietnam's war of aggression. So, in Vietnam's chess game, in which Vietnam lured the CGDK to take a pawn, the CGDK will not take it because the CGDK want to take the king himself.

PARTY ISSUES INSTRUCTION ON MASS MEDIA WORK

BK261455 Vientiane Domestic Service in Lao 0000 GMT 26 Jan 87

[8 December 1986 "instruction of the party Central Committee Secretariat on the stepping up of the guidance of mass media work"]

[Text] To the committees in charge of all ministries, party committees, mass organizations at the central level, the party committee of Vientiane municipality, and all the provinces throughout the country:

Mass media work is an extremely important service to the national defense and socialist construction tasks. The mass media are a sharp tool of our party in the class struggle, the struggle between our side and the enemies, and the struggle to decide who is going to emerge the winner between the two paths -- socialism and capitalism. That is why in recent years, especially following the third party congress, the party committees at all levels have paid closer attention to guiding mass media work. As a result, the mass media network has also been expanded. Additional mass media facilities have been introduced. The ranks of mass media cadres have also been trained and upgraded both quantitatively and qualitatively to partially meet the requirements in this work.

The mass media services of the center and localities, like other services, have paid attention to carrying out propaganda campaigns to popularize the line, policies, and plans of the party and state. They are outlets which give accurate publicity to outstanding achievements, good persons, the new life, and the new society and report the domestic and world situations, thereby contributing to mobilizing the revolutionary movements in all fields.

Aside from these good points, there remain certain weak points in mass media work which must be rectified. Namely, the guidance of mass media work is not yet rigorous and widespread. For example, at the grass-roots level and in schools, factories, hospitals, the tribal areas, the mountainous regions, and cooperatives, mass media work does not yet belong to the entire masses and is not in accord with reality. Mass media work has not yet been made into thorough public relations work for the entire society. The mass media network is inadequate. A shortage of facilities still prevails. The form and content of this work fail to reflect richly and clearly the political line and duties of the party in the new period and to meet the psychological needs of each age group, sex, and the strata of people of all tribes. The ranks of cadres engaging in mass media work have not been trained and upgraded to the level of their political roles and duties. These shortcomings continue to prevail because the party committees at all levels have failed to completely understand the significance of mass media work.

Therefore, to broaden and raise the quality of mass media work to a new and higher degree, to permit it to become a sharp tool and accurate outlet of the party, and to encourage the mass media facilities to genuinely carry out public relations movements, aimed at serving the political duties of the party and state, especially the propaganda campaigns to materialize the resolutions adopted at the fourth party congress, the party Central Committee Secretariat issues the following instruction:

1. The party committees in all localities and all services must step up the guidance, follow-up, and inspection of mass media work. They must consolidate and upgrade the organizations in charge of mass media work at each level, in each branch of work, and of the mass organizations, for example at the grass-roots level. Special attention must be attached to the quality of mass media work. First of all, the ranks of cadres engaging in mass media work must be trained to profoundly appreciate the line, policies, and plans of the party outlined at the fourth party congress.

2. The guidance committees at all levels, namely the provincial and district levels, must step up the guidance provided to the organizations under their respective supervision. They must make detailed plans for each specific region, such as the mountainous and tribal regions, in order to return mass media work to the grass roots, to transform it into a mass movement closely linked to the grass roots and genuinely serving the masses. Mass media work must have contents compatible with the line and policies of the party and the conditions, characteristics, and reality of each service, locality, and the grass roots. Attempts must be made to acquire radio receivers for and to organize the people to listen to programs of the national radio station, regional radio stations, and radio stations of the fraternal socialist countries. If conditions permit, cassette recorders must be acquired to record important news items during the broadcast of programs, especially those popularizing the success of the Fourth LPRP Congress. Attempts must be made to closely monitor news on domestic and world developments for propaganda purposes. At the same time, appropriate and detailed measures and guidelines must be adopted to advise the people to refrain from tuning in radio and television programs which may have negative effects on them and society, including the viewing of video cassettes. This is to avoid adverse effects on the political ideology and the life-style of cadres, combatants, policemen, and people of all tribes.

3. Guidance must be stepped up in subscribing to and selling newspapers and delivering newspapers and publications of all tribes to the grass roots in a timely manner. The postal services at all levels are directly responsible for delivering all publications in a timely manner. All persons, including cadres, party members, and state employees, must be mobilized to organize the reading of newspapers of the party and of their own services and organizations.

4. Attention must be paid to guiding effective use of the loudspeaker system. Appropriate measures must be adopted to deal with localities which do not have a loudspeaker system, for example, by reporting local, domestic, and world news through word of mouth or a public address system. Guidance must be given to localities which have defective loudspeaker systems so that the systems can be repaired and put into operation as soon as possible.

5. A network of news reporting must be developed and a plan must be launched to train newscasters or reporters so that news reports and lectures can be thoroughly conducted in all offices, organizations, schools, hospitals, and cooperatives so as to gradually raise the standard of knowledge among cadres, soldiers, and people. All available facilities and manpower must be utilized by cooperation between the state and private sector in contributing to the carrying out of mass media work to popularize the success of the fourth party congress among the grass roots, people, offices, organizations, Army units, public security units, and production bases in a thorough and energetic manner.

The party Central Committee Secretariat instructs all the ministries, state committees, provincial and municipal party committees, and mass organizations to organize publicity and guidance in the implementation of this instruction in an extensive, thorough, timely, and effective manner. At the same time, they must follow up, inspect, and organize the strict implementation of this instruction. The propaganda and training committees at all levels and the State Committee for News Agency, Newspapers, Radio, and Television are to coordinate and cooperate with the party committees and services in closely and regularly following up and guiding this work. All problems must be promptly reported to the party Central Committee Secretariat.

[Dated] Vientiane, 8 December 1986

[Signed] Khamtai Siphandon, acting on behalf of the party Central Committee Secretariat

NOUHAK PHOUmsAVAN RECEIVES GDR DELEGATION

BK250755 Vientiane Domestic Service in Lao 0000 GMT 25 Jan 87

[Text] On the afternoon of 24 January, Nouhak Phoumsavan, member of the LPRP Central Committee Political Bureau and first vice chairman of the Council of Ministers, received in Vientiane the delegation of the GDR Intergovernmental Commission for Economic, Scientific, and Technical Cooperation led by Horst Soelle, vice chairman of the GDR Council of Ministers and chairman of the commission, which is attending the 1987 eighth session of the two countries' commissions for economic, scientific, and technical cooperation.

During the conversation, held in an atmosphere of intimate and comradely friendship, Horst Soelle, on behalf of the GDR cooperation commission delegation, expressed gratitude and profound thanks to Nouhak Phoumsavan for the warm welcome accorded to him and his delegation. He also informed Nouhak Phoumsavan of the outcome of the eighth session of the cooperation commissions of the two countries.

Vice Chairman Nouhak Phoumsavan hailed and expressed satisfaction over the visit to our country by the GDR cooperation commission delegation. He highly valued the eighth session of the delegations of the two countries, saying: After this session, the mutual cooperation and assistance in various fields between the two countries will be more efficiently carried out.

Nouhak Phoumsavan and Horst Soelle also expressed satisfaction at the strengthening of the friendship relations between the LPDR and the GDR. They expressed the conviction that the time-honored friendship relations and militant solidarity between the parties, states, and peoples of the two countries will be further consolidated and developed on the basis of mutual interest, thereby contributing to the safeguarding of world peace.

Accompanying Vice Chairman Nouhak Phoumsavan in receiving the guests was Sali Vongkhamsao, member of the LPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, chairman of the State Planning Committee, and chairman of the LPDR Intergovernmental Commission for Economic, Scientific, and Technical Cooperation With the GDR. Dietrich Jarck, GDR ambassador extraordinary and plenipotentiary to Laos, also accompanied the GDR delegation in paying the courtesy call on Nouhak Phoumsavan.

BORDER CLASHES WITH SRV, PRK TROOPS REPORTED

SRV Tanks Spotted

BK280148 Bangkok BANGKOK POST in English 28 Jan 87 p 2

[Excerpt] Aranyaprathet -- Vietnamese gunners fired three 105mm rounds at a Thai village during a clash with Khmer resistance forces yesterday. No one was hurt.

The shells reportedly struck Ban Khao Din, about 50 kilometres south of Aranyaprathet, but caused no damage to property.

Military reports said the clash followed an attack by the Khmer Rouge on military installations and supply routes controlled by Vietnamese-backed Heng Samrin forces near the Thai border.

A strategic bridge spanning Phnum Malai and the Phum Thamai village that was used by the Vietnamese was damaged.

The reports said Burapha Task Force units had not returned fire but were ordered on 24-hour alert.

Elsewhere in Vietnamese-controlled areas about 10-20 km north of Ta Phraya district, about 10 Vietnamese tanks were spotted by Thai military intelligence personnel.
[passage omitted]

Army Secretary's Statement

BK250901 Bangkok First Army Division Radio in Thai 2300 GMT 23 Jan 87

[Statement by Army Secretary Major General Narudon Detpradiyut on situation along the Thai-Cambodian and Thai-Lao borders during the period 17 to 20 January -- recorded, date and place not given]

[Text] The Vietnamese-backed Heng Samrin regime has now ruled Cambodia for 8 years, but has failed to do anything good for the country or for the people; on the contrary, things are getting worse, especially in the economic area. The Cambodian people must share their meager food output to feed the Vietnamese; as a result they are starving and suffering hardships. This is the failure of the Heng Samrin regime in its attempt to lead the country and people to socialism. Vietnam has undergone a change in its leadership and is trying to improve its relations with foreign countries, although it still wants to maintain its influence in Cambodia. The Cambodian people have been recruited to erect barbed wire fences and barricades along the Thai-Cambodian border under the K-5 Plan, which has been extended to 1990. Certainly, Vietnam will not withdraw its troops from Cambodia before that time.

As for the situation along the border under the Army's responsibility, Vietnamese-Heng Samrin soldiers have been deployed along the border passes opposite Ban Kruat District of Buriram Province. The Vietnamese have built barbed wire fences and observation outposts on Hill 37 in the vicinity of border marker No 31, which is adjacent to the border area of Ta Phraya District, Prachin Buri Province. Vietnamese soldiers have infiltrated into Thai territory to gather information, clashed with our forces, and frequently fired heavy shells into our territory. The Army commander inspected the areas after he returned from abroad. He instructed our soldiers to be more vigilant because the otherside might take action at any time during the current dry season. Every unit in the areas is ready to cope with any situation.

Regarding the Thai-Lao border, during the period under review, the Vietnamese side sent heavy weapons to military units in Savannakhet Province. Troop rotation took place opposite Phibun Mangsahan District, Ubon Ratchathani Province. The military command in Champassak has instructed Lao soldiers along the Lao-Thai border to refrain from using weapons and to avoid confrontation with the Thai side so as to maintain good relations between the two countries. However, the Vietnamese and Lao soldiers are still very strict about crossing the border.

Further on Statement

BK260815 Bangkok BANGKOK WORLD in English 26 Jan 87 p 1

[Text] One Thai soldier was killed and four others seriously wounded in clashes with Vietnamese-Heng Samrin troops which intruded as much as two kilometres inside Thailand, Army spokesman Maj-Gen Narudon Detpradiyut said this morning.

The clashes occurred at Bok Pass in Nam Yun District of Ubon Ratchathani where the foreign troops intruded last Wednesday.

Another military source told the BANGKOK WORLD this morning that two villagers were also slightly wounded and about 20 houses were damaged when several artillery shells fired by Vietnamese gunners landed in three Thai villages during the height of the fighting on Wednesday and Thursday.

Maj-Gen Narudon said last Wednesday at 3 p.m. about 50 intruders crossed the border into Thai territory for more than one kilometre and opened fire a Thai military checkpoint at the Bok Pass with several kinds of weapons including mortar and grenade launchers.

A number of shells landed in Thai villages at Ban Kho, Ban Non Sung and Ban Pra Um, damaging a few houses while some cattle were killed or wounded.

He said the Thai combined forces put up a strong resistance and the exchanges of RPG and mortar shells lasted for 25 minutes.

He said two Rangers and a lance corporal were wounded but Lance Corporal Thawi Klunklaeo later died in hospital.

Maj-Gen Narudon said at 10 a.m. the next day, the foreign troops again fired RPG and mortar from Hill 408 which is one kilometre inside Thai territory while its infantry intruded about two kilometres deep inside Thai territory and attacked the same checkpoint.

The Thai forces fired back with mortar until the foreign gunfire was subdued.

The source said the Thai soldiers are still trying to repel the intruders back into Kampuchea.

Press Conference Held

BK230933 Bangkok Television Service in Thai 1300 GMT 22 Jan 87

[Text] A press conference on the border situation during the past month was held at the Supreme Command Information Office. On the Cambodian border, fighting along the Thai-Cambodian border decreased in intensity -- only sporadic military operations were observed. The Vietnamese used aircraft and helicopters in ineffective operations against CGDK forces. CGDK attacks caused heavy casualties for the Vietnamese.

At the press conference, referring to the Lao criticism of the Thai-U.S. agreement on the War Reserve Stockpile project, Lieutenant General Wichit Bunyawat, director of the Supreme Command Information Office, said:

[Begin Wichit recording] In late December a representative of the superpower which supports Vietnam confirmed that, in addition to its military assistance to Vietnam, his country will redouble its economic assistance to Vietnam during 1986-1990 to about U.S. \$11.7-13.2 billion, or about \$3 billion annually. [end recording]

Supreme Command on Fighting

BK240948 Bangkok Voice of Free Asia in English 1500 GMT 23 Jan 87

[Text] Vietnam has rushed troop, artillery, and tank reinforcements to western Kampuchea, where heavy fighting broke out near the Thai-Kampuchean border between the Vietnamese troops and the Coalition Government of Democratic Kampuchea forces earlier this week, a Thai border patrol police officer said yesterday. Heavy fighting broke out on Wednesday as the CGDK forces launched a surprise attack on a Vietnamese position in the vicinity of Ampil Village, the Thai officer said, adding that during the fighting, three stray shells landed in Thai territory at (Ban Mok Makok Village) straddling the Thai-Kampuchean border.

Meanwhile, a Thai Supreme Command Headquarters press release said that Vietnamese troops and pro-Hanoi Kampuchean soldiers violated Thai territory on nine occasions between 18 December and 22 January. During the same period, 1 Vietnamese soldier, 6 Vietnamese-backed Heng Samrin soldiers, and 11 Vietnamese civilians gave themselves up to Thai authorities, while 249 shells landed on Thai soil in 34 cross-border shelling incidents by Vietnamese troops. One Thai soldier and two militiamen were wounded by landmines when Thai troops conducted nine push-back operations against Vietnamese troops in two districts of Prachin Buri Province.

SITTHI ON VIETNAMESE CAPTURE OF THAI TRAWLERS

BK280258 Bangkok THE NATION in English 28 Jan 87 p 3

[Text] Foreign Minister Sitthi Sawetsila yesterday called on Vietnam to be more lenient with Thai fishermen arrested in the ill-defined territorial waters.

Sitthi told reporters that three Thai trawlers and their 70 crewmen were seized by Vietnamese patrols on Jan 18 but said it was unclear whether they had trespassed Vietnamese waters.

He said Vietnam and Thailand have yet to settle boundaries in the Gulf of Thailand and called on Hanoi, which has jailed hundreds of Thai fishermen in recent years, not to take harsh action against the Thai fishermen.

"Vietnam says it wants to improve relations with Thailand but demonstrates its poor intention by continually jailing Thai fishermen," Sitthi said.

On Monday, the Department of Fisheries repeated its warning to the Thai fishing fleets not to venture into the Vietnamese territorial waters after another three Thai trawlers with 70 fishermen were seized last week.

Plotprasop Suratsawadi, director general of the department, said that the three trawlers seized by Vietnam were sailing from Samut Sakhon. The trawlers were worth more than 10 million baht.

Meanwhile, the Foreign Ministry said that Vietnam had released eight more fishermen, after they paid a token fine of US\$1 for each person. They are expected to arrive in Nakhon Si Thammarat in southern Thailand today.

The ministry said before the eight fishermen were freed, Vietnamese authorities had asked the Thais to pay another US\$36,000 which the authorities claimed were part of their expenses for accommodation and food during the interrogation of Thai fishermen. The Thai officials in Hanoi refused to comply with the demand.

Early last month, Vietnam released 466 Thai fishermen, some of whom have spent four years in jail, after Bangkok paid US\$324,000 in fines for their alleged violations of Vietnamese waters.

U.S. COMMERCIAL LOANS OPTION FOR WEAPONS REJECTED

BK260043 Bangkok THE NATION in English 26 Jan 87 p 2

[Text] The Thai Government has turned down a suggestion by the United States for Thailand to seek loans from US commercial banks for the purchase of American weapons, high-ranking military sources told THE NATION over the weekend.

The suggestion was put forward to the Thai armed forces to offset the elimination of the Foreign Military Sales credit (FMS) given to the Thai armed forces for this fiscal year. The US however has sharply increased the grant aid under the Military Assistance Programme (MAP) from U.S.\$5 million to U.S.\$50 million to compensate the overall reduction of the defence aid from almost U.S.\$100 million in credit and grant to about U.S.\$57.5 million in grant.

The sources said that the government could not seek loans from commercial banks because it was against the fiscal policy which prohibits the acquisition of loans for the purchase of military equipment unless the credits are in the form of an assistance programme by a friendly country.

The Thanin Kraiwichian Administration's decision to obtain a huge loan of about 20,000 million baht for the armed forces then sharply drained the foreign exchange reserve of the country and thus adversely affecting the national financial standing. As a result, the policy has been imposed and the following governments have to pursue austerity fiscal policy as well as other measures to restore the foreign exchange reserve to a satisfactory level.

The sources said that to cope with the reduction of the U.S. aid, the armed forces would opt for postponing low-priority projects and if need be would seek government's assistance.

As for the Royal Navy's [RTN] project to purchase a number of Bell 214ST helicopters with funding from the FMS credit this year, the sources said that the navy had previously committed that if the FMS credit this year was eliminated, it would have other ways of seeking a fund to finance the project. Prime Minister Prem Tinsulanon has reportedly asked RTN Commander-in-Chief Adm Thada Ditthabanchong whether the navy wanted a government assistance. The navy chief reportedly told the premier that the project would not be affected.

Navy sources said that the RTN would swap its share of MAP with its own appropriation for the purchase of the helicopters. Its share of MAP grant is about the same amount of the FMS credit it has earlier expected to receive for the purchase of the helicopters.

U.S. ACCUSED OF DISTORTING GARMENT EXPORT FIGURES

BK280244 Bangkok BANGKOK POST in English 28 Jan 87 p 26

[Text] The Commerce Ministry has accused the US of deliberately distorting past garment export figures in an effort to lower Thailand's export quota for this year.

Commerce Minister Montri Phongphanit yesterday told the President of the Thai Garment Manufacturers' Association [TGMA], Wirot Amatakunchai, that he had ordered the ministry's commercial counsellor in Washington, Damrong Intharamisap, to re-examine Thailand's 1984-86 export garment figures with the US Trade Representative after finding that the US had intentionally distorted the figures to reduce Thailand's export quota for this year.

Mr Wirot told the BANGKOK POST Mr Montri had told him an initial check had found that the US authorities intended to distort the figures by making them higher than was the case.

The distortion included recording orders which had been cancelled by importers and transferring exports from other countries into Thailand's total, he said.

Mr Wirot said the ministry expected its counsellor to complete the re-examination by the end of next month, adding that Thailand was likely to hold talks with the US authorities again in the middle of next month.

The TGMA president said the 1984-85 overshipments figure was also incorrect because of changing quantities quoted by the US. At first, the US set the quantity of overshipments at 16 million square yards, but later changed it to 19 million sq yds. The latest change put the overshipped quantity at 23 million sq yds.

Whatever the figures, Thailand is confident the overshipped quantity was far less than the US has indicated, he said.

The TGMA president said the major reason for indicating different figures was to force Thailand into accepting US-suggested quotas on all non-MFA [multifiber agreement] items such as linen, ramie and silk.

Meanwhile, Mr Montri revealed yesterday that the central quota allocation would be reviewed within three days.

He said the review had been prompted by the more than 2,460 requests from exporters seeking a share the central quota.

"This is a very high figure which needs to be examined," he said.

He said he would order a check to see whether those seeking the central quota had really exported during the previous years.

Mr Montri said further that the quota was based on export performance and had already been assessed at a minimum 63.8 million sq. yds.

Add together the growth rate and quotas carried forward, the exporters will be allowed to export up to 74 million sq yds this year, he said.

SITTHI ON 'POLITICS-BEFORE-TRADE' POLICY

BK270812 Bangkok Voice of Free Asia in English 1500 GMT 26 Jan 87

[Text] The Thai Foreign Ministry has adopted a politics-before-trade policy to expand trade in the face of protectionism and global economic recession, Thai Foreign Minister Air Chief Marshal Sitthi Sawetsila said yesterday. Air Chief Marshal Sitthi said also that close cooperation with other countries will enable Thailand to solve its economic problems. Once good political relations are established, it is easier to trade with other countries. The Thai foreign minister pointed out that Thailand could expand trade with China and members of the Association of Southeast Asian Nations, ASEAN, because Thailand has good relations with these countries. Air Chief Marshal Sitthi said also that to counter protectionism, economic recession, tight money, and unemployment, the Foreign Ministry is seeking to expand the markets for Thai goods through a politics-before-trade policy. To combat trade protectionism with the United States, Air Chief Marshal Sitthi said Thailand was lobbying U.S. congressmen to remind them of the good diplomatic relations between the two countries.

PAPERS ASKED TO CHECK WITH GOVERNMENT ON STORIES

BK280412 Bangkok BANGKOK POST in English 28 Jan 87 p 3

[Text] Special Branch Division commander Maj-Gen Kasem Saengmit yesterday warned newspapers to check with the Government before reporting news that may affect Thailand's relations with neighbouring countries.

The commander was referring to recent reports in local newspapers that Vietnamese soldiers had massacred 43 Mong hilltribesmen in Laos.

Maj-Gen Kasem quoted Lao media reports as accusing the Internal Security Operations Command of spreading the rumour to harm Thai-Lao relations.

The Foreign Ministry denied the accusation in a meeting at the ministry.

Maj-Gen Kasem urged the media of both countries to check the accuracy of news reports with their governments before publishing them.

FOREIGN MINISTRY REJECTS SIHANOUK 'FABRICATION'

OW271525 Hanoi VNA in English 1515 GMT 27 Jan 87

["Sihanouk's Fabrication Rejected" -- VNA headline]

[Text] Hanoi VNA Jan. 29 [date as received] -- The Vietnamese Foreign Ministry's spokesman has categorically rejected a false statement made recently by Sihanouk and Rannarit and spread by the Thai press on Vietnam's asking Romania to convey a proposal to Sihanouk in which he was asked to set up a coalition government in Kampuchea including the Khmer Rouge. This was stated in a press release today by the Information and Press Department of the Vietnamese Foreign Ministry.

This statement, the press release says is to elaborate the answer given on January 22, 1987 by the Vietnamese Foreign Ministry's spokesman to a question raised by A.F.P. correspondent in Hanoi which was then not fully reported by A.F.P.

REPORTAGE ON EVENTS MARKING TET FESTIVITIES

Nguyen Van Linh Visits Army Units

BK241050 Hanoi Domestic Service in Vietnamese 0500 GMT 24 Jan 87

[Text] On 22 January, Comrade Nguyen Van Linh, general secretary of the party Central Committee, visited Army Corps I, the 308th Division, and the Capital Regiment. Accompanying the comrade general secretary were Colonel General Nguyen Quyet, member of the party Central Committee and standing member of the party Central Committee's Military Commission; and Colonel General Phung The Tai, deputy chief of the General Staff.

The comrades of Army Corps I Command briefed the comrade general secretary about the corps' training activities and combat readiness in the recent past and guided him on a visit to the 308th Division and the heroic Capital Regiment. Colonel (Do Trung Duong), commander of the 308th Division, reported to Comrade Nguyen Van Linh about the division's glorious traditions during the two anti-French and anti-U.S. resistance wars as well as in the undertaking to build and defend the socialist fatherland, and especially about its achievements in carrying out combat training and combat duties, in building forces, and in participating in economic construction activities to ensure the living conditions of troops. Comrade Nguyen Van Linh visited the division's traditional room and planted a memorial tree at its command headquarters.

Calling on the heroic Capital Regiment, Comrade Nguyen Van Linh was briefed by Major (Nguyen Mai Truc), the regimental commander, on the regiment's training and combat activities in the past year and during the 1st days of 1987. He visited the 8th Infantry Battalion and the tank company of the regiment. He praised the regiment's cadres and soldiers for having made good progress in training and achieved a high level of combat readiness. The comrade general secretary inspected the living quarters of cadres and soldiers, visited the mess hall of the 8th Battalion, and chatted with the mess personnel.

Amid a joyful and warm atmosphere of Dinh Mao Tet, Comrade General Secretary Nguyen Van Linh cordially talked to cadres and soldiers of Army Corps I and the 308th Division. On behalf of the Political Bureau and the party Central Committee, he heartily commended the heroic corps and division for their achievements in performing combat duties, maintaining combat readiness, building forces, and discharging internationalist duty. He said:

Loyal to Uncle Ho's teachings, our party always pays attention to caring for the people's armed forces and people's public security forces -- the sharp instruments of dictatorship of the Vietnamese socialist state. At present, as the economy still remains unstable, we must make efforts to care for and feed members of the armed forces and the people's public security forces; and the livelihood of cadres and people is replete with difficulties.

With a deep spirit of renovation, the Sixth CPV Congress set forth the lines, targets, orientations, and policies aimed at stabilizing all aspects of the situation in the remaining of years of the initial stage so as to contribute toward stabilizing the livelihood of workers, state employees, and members of the people's armed forces. The party Central Committee, the Council of Ministers, and Army commanders will strive their best to make our Army firmer and stronger with each passing day not only in combat, combat readiness, and in the forging of qualities, virtues, and conduct; but also in organizing the material and cultural life of soldiers and improving their health.

To realize this a difficult and hard process of struggle is required of all our party, people, and Army; and it just cannot be completed within a short period of time. Our Army must always strive to undergo training and maintain the revolutionary nature of Uncle Ho's soldiers who closely associate themselves with the people and lead a pure and healthy life so as to be worthy of the confidence and affection of the people.

On the occasion of the new year, Comrade General Secretary Nguyen Van Linh conveyed his best greetings to cadres and soldiers of Army Corps I and the 308th Division as well as to all the cadres and soldiers of the people's armed forces. He also sent his cordial regards to all disabled soldiers, families of fallen heroes, and families with meritorious services to the revolution; and wished that cadres and soldiers of the people's armed forces and their families would bring into play the heroic VPA's fine traditions to fulfill the two strategic tasks of building and defending the Vietnamese socialist fatherland.

On behalf of the cadres and soldiers of Army Corps I and the 308th Division, Major General (Do Truong Quan), the corps' deputy commander and secretary of the corps' party committee, pledged with Comrade General Secretary Nguyen Van Linh to carry out scrupulously his important instructions; unite closely around the party Central Committee; strive to translate the Sixth CPV Congress resolution into reality; build the corps and division into crack standardized and modernized army units with high combat efficiency, great mobility, and a strong force capable of performing all combat duties to firmly defend the Vietnamese socialist fatherland and fulfill their internationalist duty; and at the same time, strive to engage in productive labor and economic construction, care for the livelihood of troops satisfactorily, and contribute to making the country prosperous and powerful.

Le Duc Tho Attends Reception

BK251411 Hanoi Domestic Service in Vietnamese 0500 GMT 25 Jan 87

[Text] On the occasion of the Tet, the Year of the Cat, at the presidential palace on the afternoon of 24 January the CPV Central Committee, the National Assembly, the Council of State, the Council of Ministers, and the Hanoi municipal party and people's committees held a get-together of the representatives of personages, intellectuals, writers, and other artists.

Comrades Nguyen Duc Tam, Nguyen Co Thach, Dong Sy Nguyen, Nguyen Thanh Binh, Le Duc Tho, Huynh Tan Phat, and several other comrade party, state, and VFF leaders at the central level and in Hanoi attended the get-together.

Comrades General Secretary Nguyen Van Linh and Chairmen Truong Chinh and Pham Van Dong, who were away on official missions and were unable to attend, sent their New Year greetings messages to the brother and sister intellectuals and artists.

Comrade Nguyen Duc Tam presented his Tet greetings and cordially addressed the participants. He praised the contributions of the personages, intellectuals, artists, and scientific, technological, and public media workers to the success of the sixth party congress and the achievements in the fields of culture, art, science and technology, and public media in the past year. He recommended: The spring of the Year of the Cat marks the beginning of the implementation of the sixth party congress resolution. Celebrating the spring festival and the success of the party congress, the personages, intellectuals, and artists who love the country and socialism will certainly make many new efforts and have many new ideas aimed at renovating their work style and contributing their intellect and energy to the common endeavor of the people throughout the country to bring about new changes in the cause of national construction and defense.

In the congenial atmosphere of the New Year get-together, many participants expressed their views, read poems, sang songs, and voiced their confidence in and solidarity with the party, the people, and the fatherland. They pledged to overcome all difficulties and do their utmost to serve the common cause of the party and nation.

Leaders at Ho Chi Minh Gathering

BK251445 Hanoi Domestic Service in Vietnamese 0500 GMT 25 Jan 87

[Text] On the afternoon of 24 January, the party, people's, and VFF committees of Ho Chi Minh City organized a get-together in celebration of Tet, the Year of the Cat.

National Assembly Chairman Nguyen Huu Tho; Comrades Pham Hung and Vo Chi Cong, Political Bureau members and vice chairmen of the Council of Ministers; and many comrade party Central Committee members and ministers currently on official missions in Ho Chi Minh City attended the get-together.

On behalf of the party Central Committee and government, Comrade Pham Hung commended the spirit of productive and creative labor and high resolve displayed by the working class and the people of all strata in the city who helped make 1986 a truly significant year and worthy of the major events which took place in the country. Comrade Pham Hung presented his wishes for the good health of all the participants and expressed his belief that, with the spirit of renovation inculcated by the sixth party congress, the party organization and people of the city named after Uncle Ho, who are traditionally responsive and dynamic, will successfully implement the three targeted programs of our party.

Comrades Nguyen Huu Tho and Vo Chi Cong also inquired after and presented their Tet greetings to the comrades and dignitaries present at the get-together and to the cadres, soldiers, and people of Ho Chi Minh City.

Truong Chinh at Ho Chi Minh Meeting

BK251602 Hanoi Domestic Service in Vietnamese 1000 GMT 25 Jan 87

[From the Hanoi press review for 25 January]

[Text] On the occasion of the New Year festival and in celebration of the spring of the Year of the Cat, on the afternoon of 23 January 1987, the party Central Committee, the Council of State, the Council of Ministers, the National Assembly, and the VFF Central Committee organized a get-together of more than 300 comrade veteran revolutionaries, personages, intellectuals, and artists currently on official mission or living in retirement in Ho Chi Minh City.

Comrades Truong Chinh, chairman of the Council of State; Pham Hung, member of the Political Bureau and vice chairman of the Council of Ministers; Nguyen Huu Tho, chairman of the National Assembly; and many comrade members of the party Central Committee attended the get-together.

Nguyen Van Linh at Arbor Festival

BK260621 Hanoi Domestic Service in Vietnamese 1100 GMT 24 Jan 87

[Text] In coordination with Hanoi municipality, the Ministry of Forestry held a ceremony this morning, 24 January 1987, at Da Ton Village in Gia Lam District to start the 1987 "Eternally Grateful to Uncle Ho" Tet arbor festival at Da Ton village in Gia Lam District -- a village with a fairly good tree-planting and tree conservation movement in Hanoi.

Attending the ceremony and joining with the people of Da Ton village in the tree planting were Comrade Nguyen Van Linh, general secretary of the CPV Central Committee; and other comrades such as Nhuyen Thanh Binh, member of the Political Bureau and secretary of the Hanoi municipal party committee; Nghiem Xuan Yem, vice-chairman of the National Assembly, and chairman of the Vietnam Orchardists' Association; Vu Dinh Lieu, vice chairman of the Council of Ministers; and Pham Xuan Dot, alternate member of the CVP Central Committee and minister of forestry.

Observing the Tet arbor festival initiated by esteemed President Ho Chi Minh over the past 28 years - from 28 November 1957 to 28 November 1987 -- the tree-planting and tree conservation movement has become a fine custom and tradition of our people. So far, the country as a whole has succeeded in planting nearly 1 million hectares of forests in a concentrated manner and over 2 billion trees in a scattered manner. Many forestry sites, public organs, state farms, schools, military units, agricultural cooperatives, production collectives, and hundreds of thousands of families have accepted land for afforestation and forests for providing care, management, and protection, and for carrying out production and business.

Many wasteland areas in the Mekong and the Red River Deltas and those fallow land areas and bare hills in the mountain and midland regions have been covered with greenery. Many stretches of forests and many rows of trees have been planted along various communications axes, on coastal sandbars, irrigation canal dikes, and in areas surrounding hamlets and villages.

Many localities have implemented the motto: The state and the people work together. With their self-supported funds, they have been able to increase their annual afforestation area many times over that of the state plan.

Typical of them are Long An, Minh Hai, Kien Giang, and Nghia Binh Provinces, Ho Chi Minh City, and others. Many districts have become good units in tree planting and afforestation such as Trieu Hai in Binh Tri Thien, Thang Bang in Quang Nam-Danang, Moc Hoa in Long An, Cu Chi in Ho Chi Minh City, and Gia Lam in Hanoi.

The tree-planting movement has begun developing widely among various mass organizations and various sectors. Tree planting and afforestation in the country have become one of the major production targets and the ways to amass wealth of many localities. However, the tree-planting and afforestation movement has yet to develop evenly. Trees already planted have not been given good care, results remain poor, and the use of natural resources, including land, continues to show a great waste.

In this tree-planting Tet, the forestry sector must join with various echelons and sectors as well as with the people in further stepping up tree planting and afforestation, forest management and protection, doing good forest business and making effective use of existing forest areas, including man-made and natural forests. It is necessary to achieve close combination in production between forestry and agriculture, between fishery and processing, between timber and firewood-yielding trees, resinous and fibrous trees, medicinal plants and animal husbandry, trying to turn out more products to provide good support to the three programs for food grain, consumer goods, and export goods as already set forth at the recent party congress.

The forestry sector must strive in such a way that by 1990 it can plant 600,000-700,000 hectares of forests in a concentrated manner and 2 billion trees in a scattered manner and maintain and care for 450,000 hectares of forests. In 1987 in particular, the country as a whole must strive to plant 160,000-180,000 hectares of forests in a concentrated manner and 450-500 million trees in a scattered manner, trying to ensure that each lowland district can attain an average annual tree-planting output of 1 million trees. This is to attain a timber growth rate of 10,000 cubic meters per year. In the immediate future, it is necessary to launch a boisterous and widespread 1987 Tet tree-planting movement in accordance with esteemed Uncle Ho's advice:

"Spring time brings the Tet arbor festival.
"How increasingly beautiful the country will be."

PROTOCOL SIGNED WITH USSR ON GOODS EXCHANGES

BK280728 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Jan 87

[Text] On 27 January in Hanoi, Comrade Doan Duy Thanh, member of the CPV Central Committee and minister of foreign trade, representing our government, and Comrade Kozhin, deputy minister of foreign trade, acting on behalf of the Soviet Government, signed a protocol on goods exchanges and payments between the SRV and the Soviet Union for 1987.

AUSTRALIAPAPER SAYS U.S. FARM SUBSIDY DRIVING ALLIES AWAY

BK271055 Sydney THE AUSTRALIAN in English 15 Jan 87 p 8

[Editorial: "Warning to the US"]

[Text] The Minister for Primary Industry, Mr John Kerin, has described the farm subsidy war into which the world is now helplessly sliding as madness, a statement with which it would be hard to disagree.

This madness is characterised by the greatest food surplus the world has ever known, extreme poverty and starvation in the Third World and falling living standards and rising foreign debt for nations such as Australia.

And, the greatest irony of all, the subsidies have failed to achieve any improvement in the export and economic situation of the nations that use them.

In recent weeks, the United States has indicated it is prepared to continue, even escalate, its use of subsidies and this despite a clear wish on the part of the Reagan administration to staunch the farm budget hemorrhage.

The US has taken a strong position in the belief that the only way to tame the runaway European agricultural machine is to outspend it and gradually force it fiscally to acknowledge the error of its ways.

However, what the US approach does not reckon with is the European stiffneck and a disinclination to yield to any "Rambo" tactics, as French Foreign Trade Minister, Mr Michel Noir, recently labelled them.

While the agricultural superpowers slog it out, a global farm catastrophe is unfolding.

It is time for the US to acknowledge that its policies are not working but in fact only exacerbating the global agricultural crisis, causing increased tension, mistrust and resentment among the very allies on whom it depends in its desire to counter the rising influence of the Soviet Union.

The US has a very clear alternative. It can abandon farm policies that promote over-production and replace them with welfare measures, aimed directly at bolstering its farmers' incomes -- the problem is one of low farm income, not of low production.

That is exactly what the Reagan administration intends. In its new farm package it proposes to cut crop target prices by 30 per cent over three years, 'decouple' farm support payments from production so there is less incentive to over-produce, and place curbs on the scandalously large sums which some wealthier US farmers have received under its programs.

Such a policy is what Australia has been seeking for some time -- and will go a long way towards resolving the world farm trade crisis in a way that confrontations with the EC have failed to achieve. It is worthy of our fullest support.

It would be seriously wrong, however, to suppose that the administration will easily succeed in passing all, or even part, of its package through a largely hostile Congress, where protection sentiments run high.

It is therefore very much up to countries such as Australia to exert themselves to the utmost to bring home to the US Congress and Senate the full implications of their failure to support farm policy reform, and the damage this might cause to our living standards and consequently to the relationships between the two countries.

In future it is possible for Australia to be friendly, neutral or hostile towards the US. It would be a tragedy indeed if through lack of consideration of the external impact of its farm policies, nations now supportive of US overall aims and ideals were turned away from that allegiance.

WHEAT BOARD DISAPPOINTED OVER U.S. OFFER TO PRC

BK270903 Melbourne Overseas Service in English 0830 GMT 27 Jan 87

[Text] The Australian Wheat Board has expressed disappointment at an offer by the United States to subsidize the sale of up to 1 million [metric] tons of wheat to China, one of Australia's key wheat markets. Officials of the Department of Agriculture in Washington said China had indicated that they would take advantage of the American offer, whch involved wheat held in government stocks. The officials said the offer was designed to counter alleged unfair subsidies by the European Common Market.

In Canberra, a spokesman for the federal trade minister, Mr Dawkins, said the government would not officially respond to the U.S. offer as no sale had been made. But Radio Australia's Canberra office says the government will continue to push a hard line against subsidized agricultural sales at a major grain exporters conference in San Diego, California, next month.

HAWKE LEAVES FOR TOUR OF MIDDLE EAST, EUROPE

BK230810 Melbourne Overseas Service in English 0430 GMT 23 Jan 87

[Text] The prime minister, Mr Hawke, has left Australia for a 10-day tour of the Middle East. Mr Hawke will meet government leaders in Jordan, Egypt, and Israel, but government officials say he is not expected to make any fresh diplomatic initiatives toward achieving peace in the Middle East.

Mr Hawke will meet King Husayn of Jorden tomorrow and the Israeli prime minister, Yitzhaq Shamir, on Monday. It will be the first visit to the Middle East by an Australian prime minister for more than 30 years.

Mr Hawke will also give the keynote address at the World Economic Forum in Switzerland next week. Government officials say Mr Hawke is expected to use the forum to call for an end to the agricultural trade war between the United States and the European Community which is undermining the economies of other Western nations.

Reportage on Jordan Visit

For reportage on Prime Minster Bob Hawke's visit to Jordan, including his meeting with King Husayn and Prime Minister Zayd al-Rifa'i, see the Jordan section of the 28 January Middle East & Africa Daily Report.

NAURUDEROBURT ELECTED PRESIDENT BY PARLIAMENT

BK270749 Melbourne Overseas Service in English 0500 GMT 27 Jan 87

[Text] In Nauru, President Hammer DeRoburt has been returned to power following last Saturday's general election -- the country's second in less than 2 months.

The 18-member Nauru Parliament meeting today for the 1st time since the weekend poll elected Mr DeRoburt president for a 3-year term by 11 votes to 7. Although Nauru has no political party, a general election on 6 December resulted in Parliament evenly divided between supporters of Mr DeRoburt and his presidential rival, Mr Kennan Adeang. After several weeks of political stalemate President DeRoburt called fresh elections.

There was only one change among the members returned on Saturday, but Radio Australia's Pacific correspondent, Trevor Watson, said the Mr DeRoburt had apparently been able to woo several of Mr Adeang's supporters during the election campaign.

Apart from three short periods in opposition, President DeRoburt, who is 64, has been leader of Nauru's 8,500 people for the past 19 years.

NEW ZEALANDAUSTRALIA OFFERS INCREASE IN DEFENSE COOPERATION

HK280712 Wellington THE EVENING POST in English 21 Jan 87 p 14

[By NEW ZEALAND PRESS AGENCY staff correspondent Nick Brown]

[Text] Sydney, Jan. 20 -- The biggest naval shipbuilding programme in Australia's peacetime history offers good potential for increasing defence co-operation with New Zealand, Australia's Minister for Defence, Mr Kim Beazley, said today.

The Australian Government has officially "launched" the \$a3.5 billion project to build eight light patrol frigates for the Royal Australian Navy [RAN], with Mr Beazley announcing that the Government had invited companies from around the world to submit established designs for the ship.

With the Royal New Zealand Navy looking to replace its Leander class frigates, defence officials between the two countries have talked about the possibility of New Zealand joining in with the patrol frigate project.

"Our view is that this is an ideal warship for the south-west Pacific," Mr Beazley told a press conference in Sydney today.

"Our understanding of the direction of New Zealand policy is that they want to maintain a substantial presence in the south-west Pacific.

"Their ships become obsolete effectively at the same time as the (Australian) class of ships this will be replacing and adding to. Therefore we think this is the ship that the New Zealanders will have a substantial interest in and there is some indication from them already that that is the case."

He later said the Australian Government was encouraging New Zealand to join the project, as Australia believed the ship was ideally suited to the areas New Zealand wanted to operate in and it would dovetail into traditional defence co-operation between the two countries.

"We will do everything necessary to accommodate New Zealand interests in regard to this ship," he said.

"But the final decision is entirely up to the New Zealand Government."

If New Zealand did join, it would have to look at what sort of work it could do in the building process for both the Australian and New Zealand navy requirements.

The Closer Economic Relations (CER) agreement provided New Zealand with certain rights to bid for defence contracts and Mr Beazley said New Zealand seemed "reasonably cost-competitive" in several areas.

While the main shipbuilding contracts would probably go to one or two Australian shipyards, they would build only the shells of the vessels and it may be that 75 percent of the work would be done elsewhere in Australia and overseas.

Mr Beazley said the first of the new ships were scheduled for delivery in the early to mid 1990s and would dramatically increase the size of the RAN fleet from 12 to 17 warships.

They will have to meet several requirements identified by the Australian Navy and by the Dibb Review of Australia's defence capabilities for large numbers of fast, long-range ships to operate throughout the region.

The Australian Government is seeking warships with a range of 6000 nautical miles at 18 knots, a speed of at least 27 knots and a hangar and deck for the Navy's Seahawk helicopter.

Companies have also been invited to offer designs carrying a range of weapons and sensors which will include a gun of 76mm or larger, a surveillance radar, one or more air defence systems and antisubmarine capabilities. Options will also be considered for making provision for later fitting of ship-launched torpedoes and harpoon missiles.

Mr Beazley said there were probably half a dozen designs on offer in Britain and Continental Europe which came under the categories of ship Australia was looking for.

SINGAPOREPREMIER LEE URGES ANTICORRUPTION STANCE

BK271210 Singapore THE STRAITS TIMES in English 27 Jan 87 p 1

[Excerpt] The strongest deterrent against corruption is in a public opinion that censures and condemns those practising it and that finds graft completely unacceptable, Prime Minister Lee Kuan Yew told Parliament yesterday.

Three things were necessary, he said, to effectively check and punish corruption: Anti-corruption laws; vigilant people prepared to tell on the corrupt; and a scrupulous, thorough and fearless Corrupt Practices Investigation Bureau [CPIB] enjoying the Prime Minister's full backing.

"The strongest deterrent is in a public opinion which censures and condemns corrupt persons, in other words, in attitudes which make corruption so unacceptable that the stigma of corruption cannot be washed away by serving a prison sentence," Mr Lee said.

There could be no assurances that standards would not go down, he said. However, he made it clear that nobody -- not even senior ministers -- was above being investigated for graft.

"There is no way a minister can avoid investigations and a trial if there is evidence to support one," he said.

The Prime Minister spoke about corruption, and the ways to ensure clean, honest government, for 45 minutes, first in a ministerial statement on National Development Minister Teh Cheang Wan's suicide last month and later when he answered questions, many of them from PAP [People's Action Party] backbenchers.

Among other things, he revealed that:

No other official of the national Development Ministry had been found to be involved in the two charges of graft involving Teh;

-- THE CPIB investigators were scrupulously careful in their investigations and could not have misconstrued Teh's offer to pay \$800,000 [Singapore dollars] in return for immunity from prosecution;

-- BUSINESSMAN Liaw Teck Kee, who told the CPIB he was the go-between for two developers who allegedly bribed the late minister, would not be prosecuted;

-- INVESTIGATIONS into the complaint that the River View hotel developers bribed the minister were continuing;

-- NO ATTEMPT was being made by CPIB to bring back Teh's 27-year-old son, Kwan Sek, who is abroad and has not returned since his father's death; and that

-- THERE WAS no need to add more "tripwires" to check against corruption. [passage omitted]

REPORTAGE ON REBEL TAKEOVER OF TV STATION**Ramos, Rebel Leader Meet**

HK280416 Quezon City Radyo ng Bayan in Tagalog 0330 GMT 28 Jan 87

[Text] Armed Forces chief General Fidel Ramos has been personally holding a dialogue with the leader of the rebel soldiers occupying Channel 7 so as to persuade them to surrender to the authorities. Ramos went to Channel 7 this morning to speak to rebel leader Colonel Oscar Canlas. Ramos assured Canlas that if the rebels surrendered peaceably, they would be treated humanely but would be subject to the government's rules and regulations. In his response, Canlas said he could not abandon his men whom he would first have to consult. Ramos warned them that if they continued their resistance, they were only encouraging a communist take-over.

As of this broadcast, there is still no indication that the group will surrender to the authorities.

Further to this uprising by a sector of the military, Colonel Mariano Santiago revealed that he has proposed a grant of amnesty for the military officials being investigated for violating human rights. Santiago said [words indistinct] the military knew about the plans to mount a coup.

Meanwhile special assistant to Quezon City Mayor Nestor Borromeo has called on the people to be prudent and to keep away from Channel 7 and its environs.

In the meantime a general who is in active service is being hunted for being involved in the attempted coup d'etat. However, Major General Eduardo Ermita, deputy chief of staff, would not name the general. Some 271 of the officers and soldiers involved in the attempt to grab power from the government were arrested or surrendered some hours after the event.

Meanwhile Gen Ramos ordered the Bulacan Constabulary Command to guard radio station DZBB's transmitter in that province. This was after he received reports that the rebel soldiers in Channel 7 plan to air a message.

In Manila, Metro Manila Commission Governor Joey Lina says that the recent violent incidents are aimed at disrupting President Aquino's government and preventing the plebiscite from taking place.

Ramos Gives, Withdraws Ultimatum

HK280003 Manila Far East Broadcasting Company in English 2300 GMT 27 Jan 87

[Text] The situation at the besieged Channel 7, where rebel troops are holding out, remains at stalemate, but developments that should lead to an end to the crisis are expected today [28 January]. AFP [Armed Forces of the Philippines] General Ramos has withdrawn the 0600 to 0630 ultimatum for the rebel holdouts led by Colonel Oscar Canlas to surrender peacefully. Gen Ramos agreed to hold further negotiations with the rebels today and has directed Channel 7 task force commander Colonel Cesar [Templo] to renew talks with Colonel Canlas. It is reported that Col Canlas has requested some concessions leading to a decision to end his mutiny: The restoration of communications and power and water supplies to the Channel 7 compound, and the withdrawal of the ultimatum. Col [Templo] is currently inside Channel 7 for renewed talks with Col Canlas and his men.

The task force surrounding Channel 7 compound has been reinforced with more troops and armored personnel carriers and placed under the direct command of CAPCOM [Capital Command] -- Brigadier General Aguirre.

Gen Ramos held a personal negotiation with Col Templo up to late last night outside Channel 7. It was then that the general gave the ultimatum for the rebels to give up by 0630 this morning.

In earlier developments, nearly 300 soldiers were arrested after President Aquino crushed the rebellion, but 150 military dissidents were still hanging on to Channel 7 early today. Hours after 1,000 soldiers loyal to President Aquino surrounded the station, military authorities ordered the evacuation of residents living nearby, suggesting an imminent attack. Earlier, the rebels released about 50 civilian hostages, including women, children, and babies, 19 hours after they launched their abortive mutiny.

Armed Forces chief Gen Fidel Ramos, in a television broadcast early today, called on rebel Col Oscar Canlas and his remaining men to surrender, saying the reinforcements they were hoping for are not inclined to join him. Ramos said he had ordered roadblocks around Manila to prevent any reinforcements from reaching the rebels. Ramos suggested the rebellion appeared to be part of a bigger scenario involving allies of ousted President Ferdinand Marcos. He said that certain VIP's, relatives, and friends of the Marcos group had left Manila and gone to Ilocos Norte.

Presidential aide Teodoro Locsin told reporters that all Ermita could offer the rebels was a chance to surrender peacefully. He said he would be punished.

Meanwhile regional education director (Modeste Madillo) announced that there would be normal classes in all schools in Metro Manila today. She made the announcement in response to various inquiries due to the emergency situation at the vicinity of Channel 7 in Quezon City. At the same time, authorities said the situation remains normal in Metro Manila, except at the area of Channel 7, where rebel troops are still holding out.

Canlas Denies Marcos Ties

OW280143 Tokyo NHK Television Network in Japanese 0100 GMT 28 Jan 87

[Text] Some troops of the Philippine Armed Forces are still occupying a television station in Manila. In this incident, NHK cameraman Chikata interviewed Colonel Canlas inside the building of the television station. In the interview, Canlas commented on his motive and other aspects of the revolt. He said: Rebellion is not our motive. We are trying to defend the democracy of the Philippines. At the same time, we are seeking freedom for each and every citizen so that he or she can freely express his or her views.

Canlas repeatedly emphasized that the action of his troops is not intended as a revolt against the Philippine Government.

Canlas further said that while some leaders of the former Marcos regime are involved in the action, they are not necessarily supporters of former President Marcos. He said: I myself am not a pro-Marcos man. I was not involved in the Manila Hotel incident of July last year as was rumored.

Canlas thus denied his ties with former President Marcos.

Surrender Preconditions Issued

HK280835 Hong Kong AFP in English 0825 GMT 28 Jan 87

[Text] Manila, Jan 28 (AFP) -- Rebel troops, holed up since early Tuesday in a television station here, issued a list Wednesday of five preconditions for their surrender, a private radio station said. Armed Forces spokesman Colonel Honesto Isleta said the Army considered the five points to be "talking points" rather than demands. The document was penned during a meeting Wednesday at the Channel 7 TV station between rebel leader Colonel Oscar Canlas and 15 of his former classmates from the Philippine Military Academy's class of 1963, a participant at the meeting told AGENCE FRANCE-PRESSE.

The five demands, as reported by the radio, are:

- The terms of military officers having reached retirement age should not be extended;
- All soldiers, including supporters of former President Ferdinand Marcos, should receive equal treatment;
- The Philippine Armed Forces should be reformed and overhauled;
- Civilian supporters of the rebel troops should be allowed to gather again outside the Channel 7 building;
- There should be a guarantee that no force will be used against the rebels.

Troops Surround Station

HK281006 Hong Kong AFP in English 1000 GMT 28 Jan 87

[Text] Manila, Jan 28 (AFP) -- Tension mounted around Manila's besieged Channel 7 television station at dusk Wednesday as military reinforcements arrived in the form of two armored personnel carriers and three truckloads of soldiers, reporters at the scene said. The reinforcements were positioned around the station where, according to figures given by Armed Forces chief Fidel Ramos, 190 rebel troops and 55 civilian backers of ousted President Ferdinand Marcos have been holed out since early Tuesday.

Reporters were told to move out as troops encircled the building's perimeter and loudspeakers told the Marcos supporters and journalists inside the building to clear out. Journalists outside the building and in the perimeter cleared by government troops scrambled for cover. All the windows of the building were closed, and no one was visible inside.

Earlier in the day, officers had distributed distinctive white bandanas with the Philippine flag to enlisted men, who wore them around their necks or on their heads, presumably to distinguish them from the Channel 7 building.

At least three armored personnel carriers and eight trucks could be seen around the building, as well as several hundred soldiers.

Telephone communications with the Channel 7 building, which had been re-established earlier in the day at the rebels' request, were cut. Of the three numbers available, two failed to respond at all, and a recorded message said the third was "under repair."

Necessary Action Authorized

HK281016 Quezon City Radyo ng Bayan in Tagalog 0920 GMT 28 Jan 87

[Text] New Armed Forces Chief of Staff General Fidel Ramos explained today that Capcom [Capital Command] acting chief General Alexander Aguirre has been authorized to take whatever actions are needed against the Marcos rebel troops holding out inside Channel 7. General Ramos announced that the authorization came from President Corazon Aquino during this morning's cabinet meeting at Malacanang. Ramos explained that the authorization adhered to the rules pronounced by President Cory yesterday.

Meanwhile, Executive Secretary Joker Arroyo said all leaders of the aborted coup d'etat have been identified and the president has firmly decided that formal charges defined by the laws of the land will be filed against them.

Ramos on 'Necessary Action'

HK280552 Hong Kong AFP in English 0550 GMT 28 Jan 87

[Text] Manila, Jan 28 (AFP) -- "The ground commander, General (Alexander) Aguirre, responsible for this particular operation, has been authorized by me to take the necessary action," Gen. Ramos said, "based on the guidelines of the president, including my own tactical directives." He told reporters that there were about 190 rebel troops and 55 civilians, mostly supporters of deposed President Ferdinand Marcos, holed up in the building. Mr. Alvarez added that he expected "the crisis to be resolved today."

Presidential Press Secretary Teodoro Benigno told reporters that the cabinet had decided by consensus that Mrs. Aquino "project the image of commander-in-chief" by moving quickly "to quell the mini-rebellion of the loyalists." "President Aquino congratulated Gen. Ramos and (Defense) Minister (Rafael) Ileto for a job well done," Mr. Benigno said.

Gen Ramos had met earlier in the day with the leader of the rebel troops, but the two men failed to reach agreement on ending the deadlock. A senior military official said the armed forces might consider attacking the television station if the situation was not resolved by the end of the day.

Mr. Benigno said a three-page report Gen. Ramos read to the cabinet concluded that the attempted takeover bid Tuesday by rebel troops of broadcasting and military facilities in and around Manila was "apparently in line with an opposition plan to destabilize the government."

Mr. Benigno quoted Gen. Ramos as saying it was "fairly evident (that) misguided elements in the military were being used for political purposes by opposition groups riding on the military's anti-communist stand and the people's fear of communism." The presidential spokesman also said Gen. Ramos had concluded that despite their denials, most rebels soldiers were involved in activities that "were apparently part of the opposition scheme to derail the plebiscite or affect the vote." He was referring to the plebiscite Monday for a new constitution on which Mrs. Aquino has hingered her political future.

Mr. Benigno said the president would campaign in the country's central and southern provinces Friday and Saturday "to convince the people that everything is allright and the government is on top of the situation." "Under no circumstances would anybody be able to prevent the plebiscite from being held", he said.

'Procedures' on Vacating Station

HK281140 Hong Kong AFP in English 1139 GMT 28 Jan 87

[Excerpt] Manila, Jan 28 (AFP) -- Rebels occupying a Manila television station since early Tuesday, submitted "procedures" Wednesday night on how they would vacate the building, Deputy Defense Minister Wilson Gamboa said. Final negotiations with the rebels were under way, Mr Gamboa said, as government troops took up battle positions outside the Channel 7 television station. The official said the government had not imposed a specific deadline on the rebels led by Air Force Colonel Oscar Canlas, but acknowledged that this was the most promising development since the siege began.

About 50 helmeted troops armed with submachineguns and assault rifles positioned themselves behind a row of military jeeps along a side street overlooking the main entrance of the station. The residents of most houses near the Channel 7 headquarters vacated their homes as riot police drove away a group of journalists keeping vigil outside the gates of the station.

Leah Canlas, the rebel leader's wife, pregnant with her eighth child, was seen leaving the building where she had been since early Wednesday. [passage omitted]

Armed Forces News Conference

HK281015 Quezon City Radyo ng Bayan in Tagalog 0645 GMT 28 Jan 87

["Important portion" of news conference with new Armed Forces of the Philippines spokesman Colonel Isleta at Camp Aguinaldo on 28 January -- live or recorded; in English]

[Text] [Isleta] [Words indistinct] Delay their decision to come out the lesser are their moral justification to reason for their actions right now. So, ladies and gentlemen, those are the updates as of this time. If there are any questions [words indistinct]. One at a time, please.

[Reporter] [Words indistinct]

[Isleta] Well, we have not heard about those demands, but I heard this discussed last night, not as demands but a matter of discussing points that were talking points. The first thing General Ramos said is that these are all included in the constitution that is up for ratification next week. So, there is no problem whether we like it or not, or rather the Armed Forces likes it or not, if the constitution is ratified (?both) the demands are assured. The last one is the use of force. I just mentioned a while ago that the Armed Forces of the Philippines is the last to use force, especially among members of the [words indistinct]. And finally, the last one is about giving expression to the public. Well, Gen Ramos answered this question by asking him another question. Gen Ramos asked him: What is the very reason for you to be in Channel 7? Is it to let the people demonstrate in front of Channel 7, just to express their feelings, or is there another reason for you to go to Channel 7? And these people who are expressing their feelings are just incidental? Those are two questions that he must answer. Now, for those people who have been removed and pushed back beyond the barriers [words indistinct]. Because any one of those in charge may be happy-go-lucky. Just one shot, anybody in the crowd will just throw a grenade or a bomb, can start a (?fire) fight and people again will be unarmed. So, these are the precautionary measures that the Armed Forces of the Philippines are taking to avoid anyone being harmed.

[Reporter] [Words indistinct]

[Isleta] Well, as of now, ladies and gentlemen, we don't even know who are the soldiers -- even the names of the soldiers who are inside -- much more if they escaped. And I was telling them last night that tonight, while you are asleep, some of those who are not even committed to your cause will try to (?scale) those walls and try to get away, which happened. Two of them have already scaled the walls, just so that they will not be included if there are actions against them.

[Reporter] [Words indistinct]

[Isleta] Well, maybe [words indistinct] we can get some of their demands of the firearms, we don't know. But the fact is, they really tried to (?scale) the walls, you see.

[Reporter] [Words indistinct]

[Isleta] There was no deadline given; however, Gen Ramos said that: I would like to get your answer first. Unless we get your answers before daybreak, so that when the people wake up this morning, they will all be gone. That was what Gen Ramos said. There was actually no ultimatum given. However, Gen Ramos left the ground operations to General Aguirre. Whether Gen Aguirre gave an ultimatum or not, I cannot answer that because I am not in direct contact with it.

[Reporter] [Words indistinct]

[Isleta] He can decide on what he wants to do based on the situation in the government. Gen Ramos cannot just give an ultimatum when he is very far from the area and he does not even know the situation that has developed every minute. That is why Gen Aguirre was given this particular (?reason). Okay.

[Reporter] [Words indistinct]

[Isleta] Well, General Magno, I believe, is one of those who entered the building and talked to Colonel Canlas. Because Col Canlas and Gen Magno were very close. Col Canlas owes Gen Magno a lot of favors, because when he was very sick in the hospital, it was Gen Magno who practically took care of him and nursed him back to health. So, Gen Magno believes that we will persuade him to come out. [words indistinct]

[Reporter] [Words indistinct]

[Iselta] I don't know where they come from or who they are. But Col Canlas is the intelligence of Region 4, that is in Lucena City. Most of those people, I believe, are of the Philippine Constabulary, according to [name indistinct].

[Reporter] [Words indistinct]

[Isleta] Well, we just have to inform General Headquarters. [Words indistinct] commander [words indistinct] possible that anything he does or tries to do and is accountable for his actions. If his actions are for the good and welfare of the majority, based on the parameters given him as a commander, then he has all the authority and is responsible for his actions. Gen Aguirre is a very capable commander; as a matter of fact, he is even a lawyer. He knows his law. So, I believe that makes him a doubly better commander than any one of us.

If these negotiations do not succeed, our next move is in the hands of Gen Aguirre, because Gen Ramos gave him all the authority to enforce whatever has to be enforced.

[Reporter] [Words indistinct]

[Isleta] There is no real intention to blockade troops [words indistinct]. We are made to understand that GMA-7 has a lot of (?tanks), which will be enough to last them for several days. The fact that civilians are not being allowed to come in because of this possibility of any incident that might erupt, probably they are already not allowed to come in. However, there is no real attempt or intention to blockade the bringing in of food and water.

[Reporter] [Words indistinct]

[Isleta] Well, there is no direct order for them to go. But we will not stop them if they decide to vacate their homes.

[Reporter] [Words indistinct]

[Isleta] Well, we were briefed by General [name indistinct] that about two or three homes that were directly in front of 7 were already vacated as of last night.

[Reporter] [Words indistinct]

[Isleta] You already can read my mind. I would like to take this opportunity to make an announcement, because General Balbanero was in my office early this morning. He was not curious, but he was asking me why I released that particular (?proximo) involving his name in a list of generals who were supposed to be arrested. I said: If you look up the REUTER excerpt story, he is not a defense writer, he is a Malacanang writer. So, that release did not come from me. At any rate, I said: I will help you [words indistinct]. The next time I am with media, I will tell them that you are not included there, as he claims. [Words indistinct]

[Reporter] [Words indistinct]

[Isleta] If there is any, I have not seen the order.

[Reporter] [Words indistinct]

[Isleta] I cannot at this point identify or name the general.

[Reporter] [Words indistinct]

[Isleta] I am not insinuating anything. I just said that he or she, rather, is a Malacanang reporter. She could have picked up the story anywhere. [Words indistinct] but it does not mean that the rumors came from Malacanang.

[Reporter] [Words indistinct]

[Isleta] It is bounded by Timog, Samar, Jumboree, and then EDSA [Epifanio de los Santos Avenue]. So, most likely, it is from that intersection of Timog and EDSA and the road directly at the end of the property of NIA [National Irrigation Authority], less than a kilometer length on both sides.

[Reporter] [Words indistinct]

[Isleta] Well, as of this morning, I read that the PC [Philippine Constabulary] still has his name on the wanted list.

[Reporter] [Words indistinct]

[Isleta] Well, the other officers and men who were supposed to be in the horseshoe are in Channel 7.

[Reporter] [Words indistinct]

[Isleta] Normal, and everything is under control.

[Reporter] [Words indistinct]

[Isleta] I understand he was brought to Villamor Airbase.

[Reporter] [Words indistinct]

[Isleta] Now they probably have gone back. [Word indistinct] ex-Governor Farinas even denied it. But these are two reports from different sources.

[Reporter] [Words indistinct]

[Isleta] I mentioned earlier that Gen Aguirre has been given the authority. If he can avoid bloodshed, these are the guidelines -- avoid bloodshed. If he believes he can (?flush) them out by cutting off water, lights, food, and everything, then he might do it. It all depends on him. Headquarters has not put its finger in the planning of whatever action indicated [words indistinct] end the negotiations here.

[Reporter] [Words indistinct]

[Isleta] Well, everything is a possibility.

[Reporter] [Words indistinct]

[Isleta] Yes, yes. He was asked to report on this incident to the cabinet meeting. By the way, I said it is a possibility but it is not an act to be taken. I do not want again the headlines tomorrow to be screaming and saying: Isleto said the military will take military action. Please don't misquote me. We are trying to help each other and some of those soldiers in the field are getting a bit [word indistinct]. Because the headlines sometimes are so scary that the soldiers get affected. For example, the headline that says the AFP [Armed Forces of the Philippines] have overacted. That was not really the statement in the press release that we made. But it has a [words indistinct]. So please, gentlemen, let us help each other. Let us help them because they get so worried about statements made which actually were not made. Okay, the next briefing will be as soon as Canlas comes out or as soon as other actions are taken. Thank you very much.

MARCOS 'ALMOST CERTAINLY' HAD ROLE IN REVOLT

HK280020 Manila Far East Broadcasting Company in English 2300 GMT 27 Jan 87

[Text] Over in Honolulu, ousted President Ferdinand Marcos, after briefly dropping out of sight, appeared at his home in Honolulu and said the situation in the Philippines was very dangerous, and he hoped it would improve.

Marcos said he was not involved in any plot against President Aquino, who succeeded him last February.

Marcos had disappeared from public view for 12 hours. Rumors in the Philippines said he would return to the country by Friday to create a rebel government. The Philippine Consul-General in Honolulu, Tomas Gomez, said Marcos almost certainly had a role in the latest disturbances in his homeland, a short-lived rebellion staged by hundreds of troops loyal to him.

Marcos left his home yesterday [27 January] afternoon, and an aide said at first the ex-president had gone out to make telephone calls because he believed his own telephone to be monitored. When Marcos failed to return after several hours, the aide said Marcos had conferred with his lawyers.

CEBU AIRPORT ON 'RED ALERT' FOR MARCOS' RETURN

HK281041 Quezon City Radyo ng Bayan in Tagalog 0920 GMT 28 Jan 87

[Text] Authorities have placed Cebu International Airport in Lapu Lapu City on red alert today following reports that former President Ferdinand Marcos might possibly return to the country via this airport. The alert order was issued by Cebu Airport general manager Raul Del Mar after he was informed that the aborted coup d'etat was simply a diversion to cover Marcos' return.

Earlier, Del Mar sought the assistance of Brigadier General Romulo Querubing, Regional Unified Command chief for Central Visayas, to secure the airport from this incident.

CABINET DISCUSSES PLEBISCITE, OTHER ISSUES

HK280929 Quezon City Radyo ng Bayan in English 0825 GMT 28 Jan 87

[Statement by Philippine Press Secretary Teodoro Benigno on 28 January cabinet meeting -- monitored in progress; live or recorded]

[Text] The cabinet members announced that under no circumstances would anybody be able to prevent the plebiscite from being held on February 2d. The cabinet also agreed to set up a crisis management group or body for the purpose of effectively coping with future crises, not only from the right -- the Marcos loyalists -- but other sides by the insurgency headed by the CPP [Communist Party of the Philippines]-NPA and [words indistinct] the dates of which will be announced later.

President Aquino designated Vicente Paterno, deputy executive secretary for energy, to head the cabinet team that will mobilize people's power for the constitutional plebiscite. Paterno and other cabinet members reported that tens of thousands from all quarters were eager to go into action, participating in beneficials, massive rallies [words indistinct] et cetera. The president designated the following to help out with regard to this preparations, namely, Ministers Vicente Jayme, Jose Concepcion, and [name indistinct].

President Aquino also announced that the Catholic Bishops Conference of the Philippines [CBCP], the hierarchy of the church comprising more than 100 or more bishops now meeting in Tagaytay City, would [words indistinct] February 1 and 2 in support of the president.

Regarding Channel 7, General Ramos said negotiations were continuing with the rebels, emphasizing that the negotiations [passage indistinct].

CABINET BODY TO HANDLE SUBVERSION CRISES

HK281003 Quezon City Radyo ng Bayan in Tagalog 0920 GMT 28 Jan 87

[Text] The cabinet decided to create a body to deal with future subversion problems coming from leftist and rightist elements. The cabinet came to this decision following a takeover attempt on 27 January involving four military installations and private television and radio stations. Press Secretary Teodoro Benigno said the body would handle dangers posed by either Marcos loyalists, the Communist Party of the Philippines-NPA, and the Moro National Liberation Front. According to Benigno, the members of the body will be announced next week.

The press secretary added that the creation of this body was recommended by the cabinet, which wanted to set up a permanent panel prepared at all times to handle such crises.

AQUINO: TOO EARLY FOR BLAME IN 22 JAN SHOOTINGS

HK271223 Quezon City BUSINESS DAY in English 27 Jan 87 p 19

[Text] President Corazon C. Aquino yesterday said it is still premature to blame anybody for the shooting incident at Mendiola Bridge last Jan 22 which killed at least 15 farmer-demonstrators and injured 90 others.

The President emphasized this point before the Association of Major Religious Superiors in the Philippines (AMRSP) led by Sister Cres Lucero.

The group was met by Mrs Aquino only minutes after Jaime Tadeo, president of the Kilusang Magbubukid sa Pilipinas (KMP) [Farmer's Movement of the Philippines], was given permission to rally beyond the Mendiola Bridge yesterday afternoon.

Mrs Aquino said the attitude should be one of wait-and-see until concrete details of the shooting incident had been gathered and evaluated.

She said the investigation committee she formed has been given two weeks to complete its job and submit its findings which will be the basis of her decision.

In a position paper presented to the president, the religious superiors urged the chief executive to revamp the military and constitute a citizen's investigating committee for the Mendiola incident.

They also said the President should dialog with the peasants and address seriously the land reform issues.

They said the investigating team should be trustworthy so the military personnel in command during the massacre could be persecuted.

Sister Lucero said if only government leaders paid attention to the farmers when they were demonstrating at the Ministry of Agrarian Reform (MAR), the carnage could not have happened.

The farmers, they said, picketed the MAR but no government personnel entertained them for seven days except for the "scolding" given them by Agrarian Minister Heherson Alvarez.

The religious also charged that military men continued harassing the wounded in the hospitals where they were taken after the shooting.

"Contrary to the allegations of Jaime Tadeo, KMP leader, that the demands of the KMP have been unattended by the ministry, the following chronology of events during their encampment will demonstrate MAR's conscientious and concerned response to their demands," Alvarez said in a signed press statement.

"I have also personally arranged to have the issue discussed in the Cabinet meeting and secure immediate action from the President herself. President Aquino acted swiftly with compassion for the farmer's plight. She directed Minister (Neptali) Gonzales to give full legal assistance, and asked me to use the full weight of the ministry to help them and requested the farmers to wait just a little until the plebiscite, as she hopes the government to undertake a comprehensive agrarian reform program with a full mandate of the constitution," Alvarez said.

During the barricade on Jan 21, in spite of tremendous provocations when the Philippine flag was substituted with a KMP flag and MAR employees with PTA [expansion unknown] personnel were prevented from doing their job and receiving their salaries, there was no incidence of violence that transpired, he said.

"It was only Mr Tadeo who had declined to continue the meetings on Thursday morning. He opted instead to carry out an apparent predetermined program to march in Malacanang," he said.

"The unfortunate tragedy at Mendiola which has pained me so deeply is now under investigation. More than anything, this investigation must teach us how to prevent this violence that we all deplore from ever happening again and it must also tell us whom to punish for being the culprits," Alvarez added.

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